THE CHINA WEEKLY

REVIEW

Devoted to the Economic, Political and Social Development of China and its Intercourse with Other Nations

From One Japanese Pocket Into the Other!

China's New "Five-Power" Constitution

By Liang Yueng-li

Murder of Sung Ding-yee and the Probable Motive

By Jacques Reclus

The Student Movement and Chinese Education

By Harvey R. Harris

Shanghai Becomes Crime Center of Far East

密勒氏評論報

SATURDAY, SEPTEMBER 29, 1928

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Federal Inc., U.S.A.

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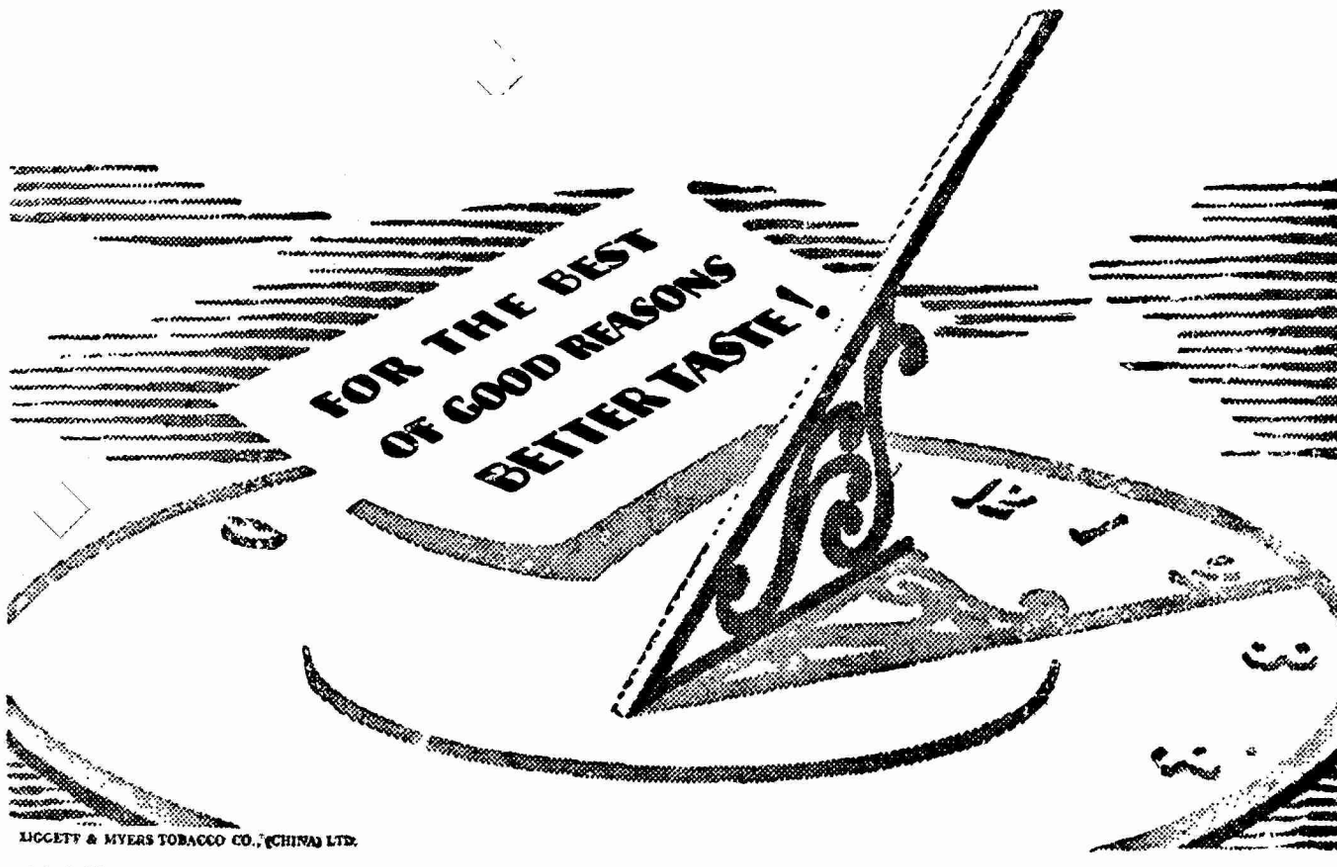
Chesterfield smokers don't change with the sun / but watch how other smokers are changing to Chesterfield!



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The Three Big Department Stores

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Total Capital: $10,700,000.00

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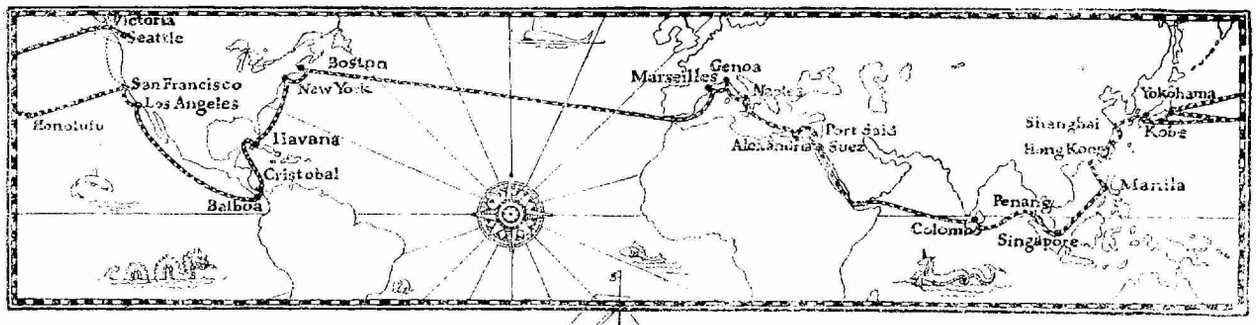

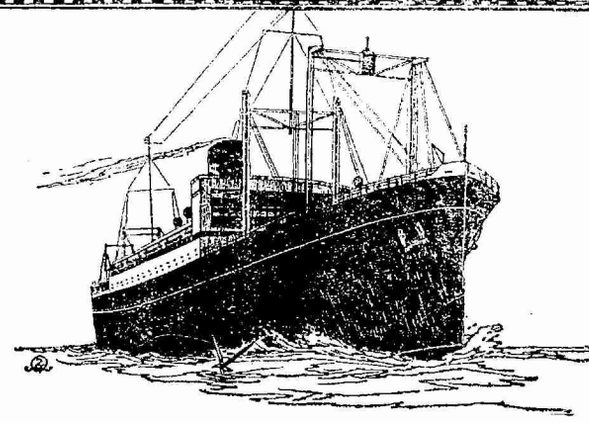

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A Service Unexcelled

The palatial "PRESIDENT LINERS" of the Dollar Steamship and American Mail Lines accord you the finest in Ocean Transportation. The public rooms are luxuriously appointed and commodious. The wide decks as well as the glassed-in promenade permit of deck games, strolls, long rows of steamer chairs and that appreciated sense of sheer enjoyment.

The Cuisine is world famous. Crisp lettuce, celery, fruits, fresh milk, eggs, meats, all delectably prepared by competent and skilful chefs. The service is all that you could desire.

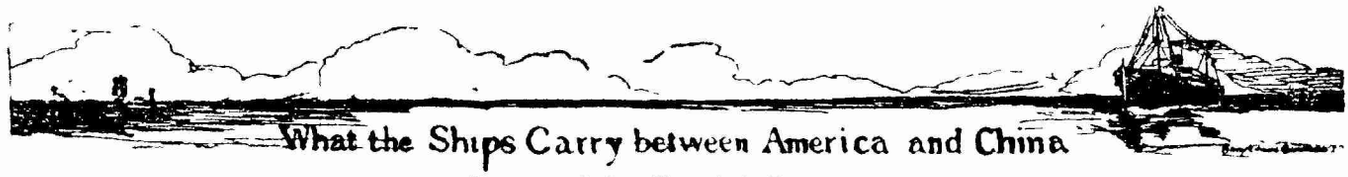
The staterooms on "PRESIDENT LINERS" are all outside, large and beautifully furnished. Beds ensure maximum travel comfort. Hot and cold running water, wardrobes, mirrors, reading lamps, thermos bottles, fans. Many rooms have private tub and fresh water baths. You will enjoy traveling to America, Interport or Round the World to Europe on these great modern, fast Liners.

WEEKLY SAILINGS TO AMERICA
ONE WEEK TO SAN FRANCISCO AND LOS ANGELES VIA HONOLULU
FOLLOWING WEEK TO VICTORIA B.C. AND SEATTLE VIA THE SHORT ROUTE
FORTNIGHTLY ROUND THE WORLD VIA HONGKONG, MANILA, STRAITS, COLOMBO, EGYPT, ITALY, FRANCE, TRANSATLANTIC TO BOSTON AND NEW YORK

Dollar Steamship Line
American Mail Line

The Robert Dollar Co., General Agents.
BRANCH OFFICES IN ALL PRINCIPAL CITIES AND ROUND THE WORLD

46-170



What the Ships Carry between America and China

Return of the Shanghai Customs

Pls.—1 Picul or 133 1/3 pounds; Bls.—Bales; Pcs.—Pieces; Mills—thousands; Hk. Tls.—Haikwan Tls.; Sept. Customs Rate Tls. 1.39 equal Gold $1

EMPRESS OF RUSSIA,
August 31.
To U. S. A.

Tea, Black:		
Congou, Hankow....	Pls.	19
Other kinds, Hangchow	,,	31
Tea, Dust, Foochow...	,,	544
Tea, Green:		
Gunpowder, Ningpo..	,,	469
Young Hyson Wenchow	,,	59
Young Hyson, Hangchow	Pls.	40
Silk, Raw, Re-reeled:		
White, other Ports Bls. 72	,,	72.67
Silk, Raw, Steam Filature:		
White Shanghai Bls. 193	Pls.	192.21
White, other Ports Bls. 15	Pls.	15.23
Yellow, other Ports Bls. 34	,,	34.65
Silk, Raw, Filature:		
Wild, other Ports Bls.100	,,	153.19
Silk, Waste, Refuse:		
Shanghai..... Bls.2	Pls.	6.65
Other Ports.... Bls.8	,,	27.83
Silk Piece Goods	,,	1.74
Bristles, Assorted	,,	95
Egg Yolk, Dried	,,	183
Wool, Sheep's	,,	385
Skins, Dog, Tanned..	Pcs.	2,679
,, ,, Untanned	,,	5,000
,, Kid, ,,	,,	2,682
,, Moufflon, Tanned	,,	1,052
Hats, Buntal Fibre	,,	2,995

PRESIDENT McKINLEY,
August 28.
From U. S. A.

Flour, Wheat	Pls.	643
Oranges, Fresh.....	,,	109
Paper, Printing	,,	133
Motor-cars	Pcs.	31
Motor-trucks	Pcs.	15
Hats	Doz.	8
Timber:		
Softwood. Ordinary, Sawn	Sup.ft.	504,596
Softwood, Merchantable	,,	33,938
Softwood Clear ..	Sup.ft.	109,096

PRESIDENT JACKSON
August 30.
To Japan

Cotton Rags	Pls.	375

To U. S. A.

Silk, Raw, Re-reeled:		
White other Ports Bls 15	Pls.	15.30
Silk Cocoons, Pierced:		
Other Ports... Bls.17	Pls.	49.57
Silk Waste, Refuse:		
Other Ports... Bls.50	,,	167.98
Silk Piece Goods,.....	,,	1.17
Tea, Black:		
Keemun, Kiukiang..	,,	70
Other Port, Hankow	,,	139
,, ,, Kiukiang	,,	158
Tea, Green:		
Hyson, Hangchow ..	Pls.	20
Gunpowder, Ningpo ..	Pls.	74
,, Haagchow	,,	4
Cotton Rags.....	,,	207
Brassware	,,	165
Books, Printed	,,	15
Chinaware, Coarse.....	,,	15
,, Fine	,,	6
Cigarettes.....	,,	14
Egg Albumen, Dried ..	,,	126
Feathers, Duck Cleaned	,,	10
Hog Casings.....	,,	47
Menthol Crystal.....	,,	5
Oil, Groundnut.....	,,	162
Oil, Wood.....	,,	14,195
Rhubarb	,,	50
Soapstone Ornaments...	,,	21
Wool, Sheep's	,,	195
Woodware	,,	18
Hats, Buntal Fibre.....	Pcs.	5,400
,, Hemp	,,	5,400
Skins, Sheeps, Tanned	Pcs	1,100
Carpets and Rugs....	k.Tls.	1,166

PRESIDENT WILSON,
Sept. 3.
from U. S. A.

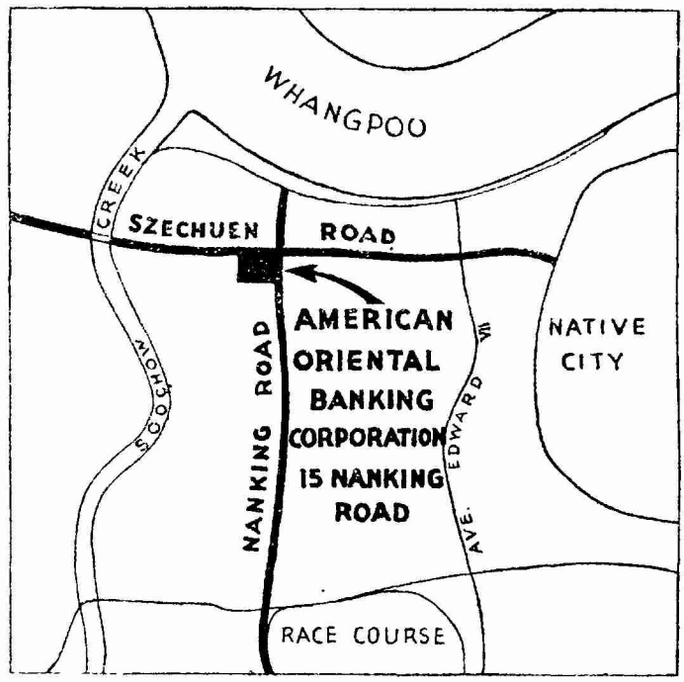
Cotton Cloth:		
White, Unclassed....	Yds.	37,390
Yarn-dyed Unclassed..	Yds.	1,091
Woollen Flannel.....	,,	104
Wool and Cotton Cloth, Unclassed.....	,,	155
Waterproof Cloth.....	,,	150
Artificial Silk Yarn ...	Pls	75
Cotton Knitted Clothing, Raised	,,	41
Aluminium-foil	Pls.	71
Aluminium Sheets....	,,	283
Brass Scrap	,,	7
,, Screws	,,	7
Brass Tubes	,,	40
Bronze Plate	,,	6
Copper Wire Cloth	,,	30
Iron Bolts and Nuts....	,,	19
Iron Pipe Fittings	,,	9
Steel, Galvanized:		
Wire Shorts	Pls.	1,271
Tinned Plates, Plain ..	,,	231
Steel Screws.....	,,	299
,, Washers	,,	97
Steel Wire Cloth.....	Pls.	14
,, Wool.....	,,	2
Tinfoil.....	,,	5
Zinc Plates	,,	17
Asparagus	,,	11
Canned Fruits	,,	34
Grease, Lubricating Mineral	,,	8
Hams	,,	2
Indigo Paste, Artificial:		
20% Dupont	,,	1,750
50% ,, Reduced	,,	36
Leather, Calf, Coloured ..	,,	4
,, ,, Patent ..	,,	14
,, Cow, Coloured	,,	13
Leather, Sole	,,	44
Macaroni	,,	8
Oranges Fresh	,,	193
Paints, Unclassed	,,	55
Paper, Wrapping	,,	5
,, Writing	,,	49
,, Unclassed	,,	1,273
Potassium, Iodide.....	,,	3
Raisins	,,	860
Sodium, Thiosulphite ..	,,	180
Sulphur Black.....	,,	435
Twine	,,	19
Bedsteads	Pcs.	201
Machines Adding	,,	6
Machines, Knitting ...	,,	3
Machines, Sewing	,,	7
Motor-cars	,,	33
Motor-cars Old	Pcs.	1

Latest New York Stock Exchange Quotations

Tel. 18891-18990 Sept. 27

Market Closed Irregular. Business done 4,700,000

STOCK	Monday Sept. 25	Tuesday Sept. 26
Allied Chemical & Dye (Common)	197½	193
American Can (Common)	108¾	107
American Radiator	153	152
American Smelting	252	250½
American Telephone & Tel. (Common)	180	180½
American Tobacco "B"	166	166¾
Armour & Co. "A"	20½	20⅛
Armour & Co. (Ill.) 7% Pfd.	88	87⅞
Anaconda Copper	85¼	85½
Baltimore & Ohio	114	113
Bancitaly Corp.	127	125
Bank of Montreal	365	367
Bethlehem Steel (Common)	65	64¾
Bethlehem Steel, 7% Pfd.	118	118
Brooklyn-Manhattan Transit	71½	72⅜
Canadian Pacific Railway	215½	218½
Canada Dry Ginger Ale	60⅞	80½
Cerro de Pasco	100½	99½
Chile Copper	53¾	54
Chrysler	113⅜	133¾
Consolidated Gas of New York	79½	79⅜
Coty Incorporated	241	240
Du Pont de Nemours E. I. (Common)	393½	395
Eastman Kodak	None	178¼
Electric Investors	73¾	72
Fox Film "A"	103⅝	106
General Cigar	63	62½
General Electric Co.	167	165½
General Motors	212⅛	214⅜
Hudson Motor Car	81½	85¾
Industrial Rayon	140⅞	138
Interboro Rapid Transi	49½	49
International Cement (Common)	70	71¾
International Match, Pfd.	108½	107¼
International Nickel (Common)	126	125¼
International Printers Ink	53¾	53
International Products Corp. (Common)	14¾	14¾
International Products Corp., Pfd.	86⅛	None
International Telephone & Teleg.	175	174¾
Kelvinator	11⅝	11⅞
Kennecott Copper	102¾	102¾
Liggett & Myers, Class "B"	93¾	93⅛
Loews Inc.	61⅝	61
Lorillard Company (Common)	29¾	29⅜
Madison Square Garden	24	23¾
Mengel Bros.	36⅜	37⅜
Missouri Pacific By.	73	73
New York Air Brake Co.	44⅞	43⅛
New York Central (Common)	176	175½
North German Lloyd 6's 1947	93¼	93
Pacific Gas & Electric Co.	51	51½
Packard Motor Car Co. (Common)	93¾	93⅛
Pennsylvania Railroad	64⅜	64⅛
Radio Corporation	200⅛	205½
Reynolds Tobacco, "B"	140	140
Sears, Roebuck & Co.	153⅜	150½
Standard Gas & Electric (Common)	73	73
Standard Oil of California	61	60⅛
Standard Oil of Indiana	78¾	77⅝
Standard Oil of New Jersey	46⅞	46¾
Standard Oil of New York	36⅝	36⅜
Texas Corporation (Common)	69⅝	68⅞
Texas Gulf Sulphur	71½	70
Timken Roller Bearing	143	141⅜
Union Carbide	188¼	191¾
Union Pacific Railroad (Common)	195⅛	196½
United States Leather	59¼	59¼
United States Realty & Imp Co.	81⅛	82
United States Rubber (Common)	40	40
United States Rubber, 8% Pfd.	70¾	70⅜
United States Steel	159½	158¾
Wright Aeronautical	Mult.	172¾



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The American-Oriental Banking Corporation

"The Bank of Personal Service"

15 NANKING ROAD
SHANGHAI

46-172

Chinese Government Railways

Peking-Hankow Line

"The Road Through the Heart of China"

For the safety of the travelling public, guard vans with armed police are provided for every train and more than 400 armed railway policemen are on duty at the various large stations.

To facilitate the passengers in making fast connections, local trains are run between Chengchow and Chang Teh and between Hankow and Kouang Choei.

To meet the demands of the travelling public, third class tickets are sold on the Special Express Trains running between Hankow and Chengchow with only a small additional charge.

For the comfort and convenience of the passengers, the Dining and Sleeping cars are newly embellished with all modern improvements.

For quick transportation of goods, many additional freight trains are scheduled under the supervision of our Traffic Department.

In spite of the urgent demand for troop trains, our regular trains are always operated on scheduled time.

TIME TABLE

TRAIN	DEPART FROM	ARRIVE AT
* 1 Express	Hankow (T.C.M.) Every Monday 10 P.M.	Chengchow Every Tues. 6:55 P.M.
+ 2 Express	Chengchow Every Thurs. 10 P.M.	Hankow (T.C.M.) Every Fri. 8:40 P.M.
‡ 5 Local	Hankow (T C.M.) 6:10 P.M. Daily	Chengchow 6:43 A.M. Third Day
6 Local	Chengchow 7:15 P.M. Daily	Hankow (T.C.M.) 6:48 A.M. Third Day
51 Local	Chengchow 8:00 A.M. Daily	Chang Teh 5:00 P.M.
52 Local	Chang Teh 8:23 A.M. Daily	Chengchow 5:45 P.M,
74 Local	Hankow (Y.T.M.) 7:30 A.M. Daily	Kouang Choei 1:38 P.M.
75 Local	Kouang Choei 8:00 A.M. Daily	Hankow (Y.T.M.) 2:10 P.M.

REMARKS: *With First and Second Class Sleeping and Dining Cars. +Third Class tickets are sold on this train with a small additional charge. ‡With 1st, 2nd, 3rd Class Cars and Dining Cars.

Telegraphic Address "KINCO" Code A. B. C. 5th Edition. For further information, address Hankow Line, Managing Director, Peking-Hankow.

Lung-Hai and Pien-Lo Lines

In Operation: From Tapu (Haichow) to Lingpao: 825 Kilometers

In Construction: From Lingpao to Sianfu: 225 Kilometers

"The Great Overland Route in China"

This Line will soon become the most important Railway in China, connecting as it will, the remote provinces of Kansu, Shensi and Honan with the sea and passing through the ancient and famous capitals of Lanchow, Sian, Loyang and Kaifeng.

There are many points of historical interest to visit along the line, the best known being Lung-Men with its gigantic display of carved stone Buddhas, dating back from the introduction of Buddhism into China, some 2000 years ago.

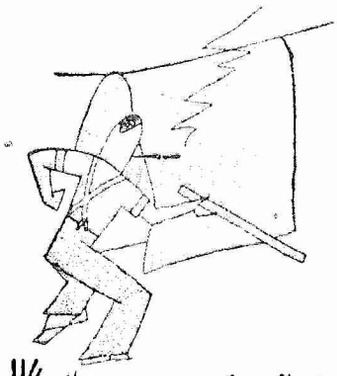
The Lunghai and Pienlo Lines are connected at Hsuchow with the Tientsin-Pukow Railway and at Chengchow with the Peking-Hankow Railway.

An "Express" train runs thrice a week between Hsuchow and Chengchow leaving Hsuchow Monday, Wednesday and Friday, and leaving Chengchow Tuesday, Thursday and Saturday. This train is provided with 1st and 2nd class cars, sleeping and dining accommodations.

For further particulars, intending passengers are requested to apply to the Shanghai Office, Lunghai Railway Administration, at the Chung-Foo Bank Building, 25 Jinkee Road.

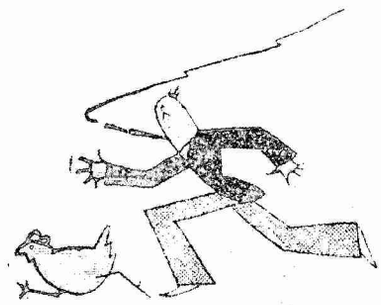
Shanghai

It doesn't really matter---

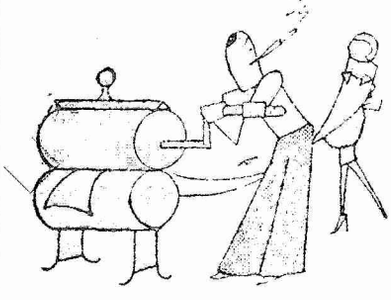


Whether you are beating carpets——

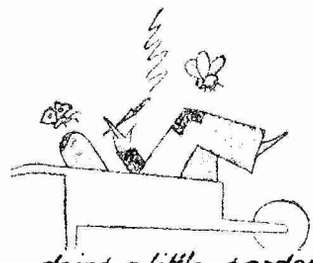
—or whitewashing the walls—



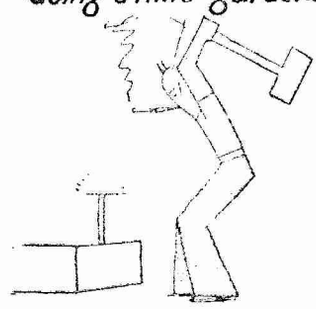
—raising fowls——



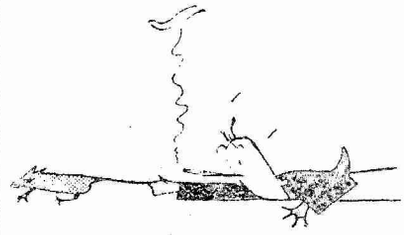
—or turning the mangle—



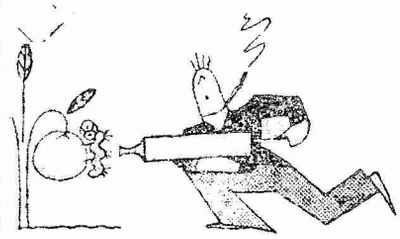
—doing a little gardening—



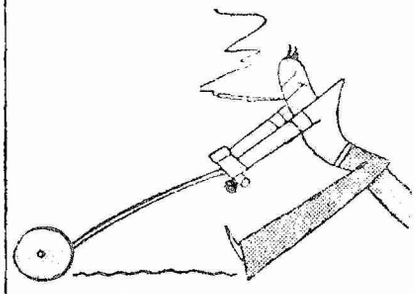
—or a little carpentering—



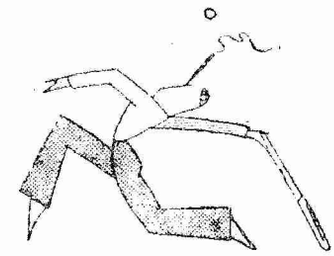
—maybe catching a rat or two——



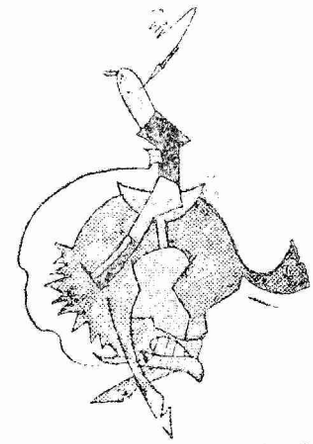
—or fruit farming——



—rolling the lawn——

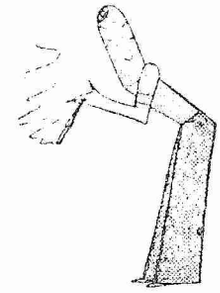


—or taking gentle exercise—



——even a spot of bronco busting——

—or mountaineering—



—you'll do it better with a CAPSTAN to soothe you—try it!

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密勒氏評論報

THE CHINA WEEKLY REVIEW

Formerly Millard's Review

中華郵政特准掛號立券之報紙

Registered at the Chinese Post Office as a Newspaper for transmission with special marks privileges in China

VOLUME XLVI SHANGHAI, CHINA, SATURDAY, SEPTEMBER 29, 1928 NUMBER 5

THE CHINA WEEKLY REVIEW

Formerly Millard's Review

Cable Address "REVIEWING SHANGHAI"

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LAWRENCE IMPEY (Peking)

YEARLY SUBSCRIPTION, FIFTY-TWO ISSUES, TWELVE DOLLARS (CHINESE CURRENCY) IN ADVANCE, POSTAGE INCLUDED IN CHINA AND JAPAN. IN THE UNITED STATES AND FOREIGN COUNTRIES TEN DOLLARS U. S. CURRENCY. REMITTANCE FROM OTHER COUNTRIES THAN CHINA AND THE U. S. CAN BE MADE BY INTERNATIONAL MONEY ORDER. ENTERED AS SECOND-CLASS MATTER IN THE CHINESE POST OFFICE AT SHANGHAI IN MAY 1917.

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Colorado Building, Washington, D.C.

FROM ONE JAPANESE POCKET INTO THE OTHER!

MR. D. C. BESS, the bright and energetic correspondent for the *United Press* in Peiping, sent out an interview with the Japanese Minister on September 9 in which the Japanese diplomatic representative declared that the Tsinan-Tsingtao Chinese Government Railway had recently paid interest charges amounting to $600,000 (silver) on the bonded debt to the Japanese. All of the newspapers receiving the *United Press* service gave this dispatch a prominent position, because the Japanese Minister stated in the interview that this was the first time that the railway had paid any interest on the loan since the Chinese obtained possession of the road following the Washington Conference in 1922. The motive behind the Japanese Minister's statement was obvious, because the Japanese through their military intervention in Shantung Province and their creation of a 20-mile "neutral" zone along the railway are now in actual control of the line, although the operation is in the hands of the Chinese railway officials. The Japanese Minister wanted to prove to the world the beneficent effects of the Japanese intervention in enabling the railroad to pay interest on its indebtedness to the Japanese. But he didn't tell the whole story. His statement that the railway had paid over the sum of $600,000 in interest is probably correct because the Chinese officials in Tsingtao made the same statement to foreign newspaper correspondents several weeks ago, but the Japanese Minister should have gone further and stated that the money which the railway had paid over to the Japanese bond-holders, was actually Japanese money which the railway had received from the Japanese military for the transportation of Japanese troops and munitions incidental to the Japanese intervention. What the Japanese have done is to take money out of one pocket and put it in the other, the obvious purpose being to make a showing for propaganda purposes.

FOR A CONSIDERABEE period following the Japanese intervention in Shantung business flourished on the Shantung Railway, but it was practically all Japanese military materials, men, horses, ammunitions, equipment incidental to the transportation of some 25,000 Japanese troops from Tsingtao to Tsinan. The Japanese arranged with the Chinese railway officials to pay for this service, but with the condition that the money was to be immediately handed back to the Japanese for the payment of interest on the Japanese loan. The Japanese Minister in Peiping didn't mention this detail for it would have spoiled the story he gave the *United Press*. The Japanese Minister also stated

that this was the first time the railway had paid its interest charges since the Chinese had obtained possession of the road, an incorrect statement in view of the Chinese claim that interest and principal charges were paid during the first two years after the redemption of the line from the Japanese. Although we have no way of checking up on the accuracy of the Chinese statement, it would appear to be correct because the Chinese immediately following the Washington Conference raised a considerable sum of money through a patriotic loan for the redemption of the road, and it is understood that a considerable portion of this money was used for interest and principal payment during the first two years. The Japanese statement that the railway has defaulted on its interest payments since the bandit-tupan Chang Chung-chang obtained control of Shantung is probably correct, for Gen. Chang not only looted the railway but levied such exorbitant taxes upon goods transported that Chinese shippers were forced to go back to wheelbarrows and carts for the transportation of goods across the province. When the Chinese took over the road from the Japanese as a result of negotiations conducted by Dr. C. T. Wang following the Washington Conference, they agreed to pay the Japanese the sum of 40,000,000 yen spread over a period of fifteen years with interest at six percent. The Chinese originally offered to pay for the road outright, but the Japanese wouldn't listen to this, preferring to hold a mortgage on the line for use against the Chinese in a future intervention program. The Japanese are very clever that way!

THE FALLACIOUS DOCTRINE OF "NORDIC SUPREMACY"

THERE WAS an amusing incident at the Williamstown Conference at Williams College early last month when the Conference was discussing the question of racial differences. Prof. Robert D. McKenzie of the University of Washington at Seattle, who was leading the discussion, advanced the theory that the so-called supremacy of the Nordic (Northern European) races, particularly over colored races, was not caused by differences in race but by differences in culture and training. According to the report of the proceedings in the *New York Times* for August 7, several of the other delegates did not agree with Prof. McKenzie, but at this point the morning editions of the New York newspapers arrived with the results of the marathon race at the Olympic Games in Holland showing that the winner of the race was a brown-skinned Algerian, with a dark-skinned Chilean second, and two yellow-skinned Japanese fourth and sixth. The white race had to be content with third and fifth places in this marathon which is generally considered to require an amount of stamina and endurance heretofore regarded as distinctive Nordic attributes. Dr. McKenzie, in his remarks pertaining to racial charactistics declared,

> "The general assumption that peoples with superior technical culture are superior to peoples without has no scientific validity. The concept that the Nordic is superior to the Oriental because he has more and larger industries has no basis in science. The Nordic happened to be the first to use mechanical energy and just happened to have the resources of energy and he then got the lead over the rest of the world in the nineteenth century that has given him the 'big head.' Now he tries to explain this on the basis of race.
>
> "Furthermore, all scientific efforts to study mental differences between peoples of the West and Oriental peoples show there is no biological superiority of the white man. It is very evident that Orientals, once they get the scientific spirit that dominates the West, will equal the white man in any kind of effort whether cultural, commercial or scientific. The white man's advantage rests merely in the fact that he got the start.
>
> "There is much confusion between race and nationality anyway, and because these cultures differ, the assumption is that this is due to racial differences. The rapid spread of technical culture, especially in Japan, is dissipating that fallacy"

DR. McKenzie's remarks aroused a considerable discussion on the question as to whether an economic reason or racial prejudice was responsible for the California exclusion law against Japanese laborers. Dr. Mckenzie was of opinion that the opposition of a group faced with competition from people with a lower standard of living was chiefly economic, but that this group's appeal for legislative protection from such competition was based on grounds of racial purity. At this point Mr. Robert Lincoln O'Brien, editor of the *Boston Herald*, who was in the Far East last winter, precipitated another discussion by informing the Conference that the Japanese while objecting to the California laws, on the other hand excluded both the Koreans and Chinese laborers from Japan. Mr. M. Zumoto, editor of the *Herald of Asia* admitted that the Japanese did exclude Chinese laborers but denied that Koreans were excluded. He claimed that 300,000 Koreans are employed on the railroads and in road construction in Japan, but this statement by Mr. Zumoto was disputed. When questioned regarding the racial pride of the Japanese Mr. Zumoto said that the Japanese originally were not racially conscious, but that they were becoming so as a result of the emphasis placed on racial differences by Western writers. Dr. McKenzie's comment on this was that the writers to whom Mr. Zumoto referred probably belonged to the "Nordic supremacy school," and concluded the discussion by stating his opinion that the differences among the races about the Pacific were due largely to the extent or lack of extent of technical and scientific development and not to any alleged superiority of one race over another.

SHANGHAI BECOMES CRIME CENTER OF ORIENT!

AS PROOF of the allegation that Shanghai has become the crime center of the Orient, *The Review* presents on the opposite page a reproduction of newspaper headings clipped from Shanghai newspapers *for one day*, September 25. A few of these headlines are duplicates, that is reports from different newspapers telling of the same crime, but most of them tell of different crimes, the total number being about twenty and ranging all the way from murder and kidnapping to ordinary theft and bombing incidents. One or two cases happened in the French Concession, but most of the crimes referred to in these newspaper accounts were committed in the International Settlement, the little area which was once referred to as the "Model" Settlement, but which now has acquired the doubtful reputation of being the crime center of the entire Orient, for the newpapers of no other city in the Far East tell such a story of crime and lawlessness as that which is told in the daily editions of the foreign press in Shanghai. It is practically impossible for the average resident of Shanghai, Chinese or foreign, to get at the bottom of this crime situation which prevails in the International Settlement. The Police Department passes the buck to the Chinese authorities by alleging that it is due to the Chinese Provisional Court in failing to give sufficiently severe sentences, but this allegation doesn't hold water because one of the newspaper

ONE DAY'S CRIME NEWS IN SHANGHAI

FOREIGNER AND KIDNAPPERS

Heroic E... MISADVEN-
STRANGER'S TURE IN SHANGHAI

Robbed of $15 by Gang of Three Coolies

...he Capture of ... : Struggle A... med M...

...LOODED SHOOTI...

Coolie Who Entered Foreign Home In Search Of Bed Is Accommodated

...ewell, perforce, was polite. ...ou?" cried she.

FOREIGNERS RISK LIVES FOR BOY

...pe from ...nt-Bl... ...rid ...ed

Kidnappers Open Fire To Prevent Attempt At Rescue

ARMS AND THE MAN

Unfailing Ingenuity of Chinese when the Devil Drives

"Arms and the man" or "What ... how without an ... of a ... life ...efore ...y and ...s. A ...em at ...ow the ...by the ...as ...and re...

FOR THE EXECUTION GROUND

Twenty-seven People, Including a Woman, to be Handed Over for Capital Punishment

Carrying 27 condemned ... including one woman said ... first of her sex to ... ...visional Court to ... ...pt lice van w... ...b w... ...

Nanyang Road Bomb Attempt Is Prevented

Policeman Shoots Two Desperadoes In Alleyway

1 KILLED, 1 WOUNDED

... Bombs To Throw ...

BIG HAUL BY ROBBERS IN SEWARD ROAD

Over $1,000 Taken by ... Gang on Saturd...

Forcing their ... ...ent d...

THE SUN SUN JEWEL ROBBERY

The Whole of the Loot Recovered: Found Concealed in the Building

There ...

Gruesome Murder Under Inquiry By French Police

A gruesome dis... ...ade yesterday m... collector of ... ...nicipal Coun... ...rtment, whe... ...h from Opi... ...ethe...

...lling a threatened ... ...on the re...

A SERVANT GIRL'S TRAGEDY

Chauffeur Robbed By Bandit Trio Of Auto And Uniform

A chauffeur employed by the ... ...owing On garage yesterday repor... ...dised having been robbed ... ...disc... his uniform by a ... ...rmed criminals ... Sheean's commen... The car ... cam...

Robber Wounded In Battle With Police Succur...

Two inquests were held ... public Mortuary yesterda... first was over Mo Ah-h... ...shot by the police in ... ...on East Yuhang Ro... ...ing arrest. He d... ...ch... ...night. The ...d su...

COOLIES ATTACK FOREIGNER

A foreigner of s... ...pearance reported to ... ...ion last night that ... ...by three ... ...ieved

RUSSIAN AND A COUPLE OF TYPEWRITERS

Alleged Fraud by Means of the Instalment System

Foreign Woman Shot, Wounded By Bagsnatcher In Settlemen...

Blow From Her Escor... Deflects Aim Of Gunman

BANDIT ESCAPES

Assault Occurs As Pair ... Are Strolling On Szechuen Road

INQUEST IS HELD ON SLAIN ROBBER

Shot In Battle ... Po... In East ... Road

...ween the police ... ...obbers in an ... ...g Road re... ...he robbe... ...Murder

SHOOTING AFFRAY LAST NIGHT

Chinese Constable's Promptness: Armed Man Shot Dead: ... ...ession Wounded

Hired Assassin Killed, 2 Aides Taken By Police

Thugs On ... Black...

The ... ...ci Woo Kui... ...whose co... ...ge overlook...

11 Desperadoes To Die Tomorrow For Armed Crime

Kiangsu Government Upholds ... ... Passed By ... Chinese ...

...npradore Held For Ransom By Abductors Freed

...fore & ...id-...eld ...at ...d ...one.

Kidnappers Fire At Briton As He Rescues Victim

...ond Foreigner Joins Pursuit Of Fleeing Desperadoes

The Above Headlines Dealing with the Crime Situation in the International Settlement, Were Reproduced from One Day's Issues of the Shanghai Foreign Newspapers.

headings on the page opposite tells of twenty-seven persons being "handed over" to the Chinese authorities for execution. The Chinese authorities, when requested for an explanation, declare their conviction that crime in the Settlement, (that is major crimes such as armed robberies and kidnappings) are due to police inefficiency, which in turn is due to a police department which is top heavy with foreigners and that there is no attempt on the part of the police department in the Settlement to cooperate with the Chinese police authorities in the neighboring Chinese areas. Obviously there is something wrong when merchants and bankers are forced to employ armed guards to accompany them to and from their homes and offices and when wealthy Chinese residents are compelled to convert their homes into miniature fortresses.

THE LAST CHAPTER IN THE "BARGA" INCIDENT

THE *Kung Pao*, a Chinese-owned newspaper published at Harbin in the Russian language and which serves as the official organ of the Hólungkiang provincial government of North Manchuria, published in its issue of August 2 what we assume to be the last chapter in the so-called "Barga" incident. A translation of the article which was headed, "Making Elephants Out of Flies," follows:

> The "Mongolian incident" on the western line of the Chinese-Eastern Railway stirred up for a moment the quiet life of the Special District.
>
> However, very quickly the "fears" of the inhabitants were scattered like smoke, and the sensation became an unimportant episode having in fact even no local importance: just as we pointed out from the first day of the "Mongolian uprising." It had an altogether unorganized character, appearing as nothing more than a simple bandit onslaught, thought up by a handful of publicity-seekers and politicians from the "Young Bargut" youth, who had torn away from the real masses of the people.
>
> Now the cloud is dispelled, and the truth has come before the eyes of society in all its more than doubtful "majesty"; the Mongol regiments turned out to be a mob of loafers and cutthroats, and the Mongol Government in the most definite way denied the rumors and tales of its participation in this incident.
>
> Everything quieted down and went along in its normal channels again. The only ones who do not wish it to quiet down are that part of the foreign press which is energetically exaggerating the occurrences on the western line. Reading the fantastic reports of the Japanese papers, trying in every possible way to make a mountain out of a molehill,-one must wonder just what do the Japanese journalists want in this case.
>
> "Fear has big eyes." But just the same how could all these "special correspondents" see in this handful of Bargut horsemen whole regiments of Mongol cavalry? From where do they draw their Homeric nonsense, speaking of the arrest of the Russian head of the Chinese Eastern Railway and insistently bringing Moscow and Urga together in the closest participation in what has happened?
>
> It is evident that the Japanese papers are acting in this way not merely from ordinary ignorance. Seeing the original polemic which flamed up on the subject of the "Mongolian uprising," one comes to the conclusion that both sides are trying to settle some accounts of their own, while at the same time they discredit one another in the eyes of the Chinese people.
>
> The conduct of the Japanese press is especially astonishing: for a week already it chews on this "sensation," which is no longer fresh, garnishing it abundantly with the most fantastic sauce.
>
> Everything is done to present the life of Manchuria as menacing and dangerous in the highest degree. This is very significant, and therefore the Chinese public must regard the work of the manufacturers of silly nonsense with double attention and the necessary reserve.
>
> In the final statement, the thick cloud of newspaper inventions gathered about the incident on the western line of the Chinese Eastern Railway is dispersing of itself. Its only result appears in the natural fall in prestige of the foreign press in the eyes of the Chinese public.
>
> Is that really what the uninvited "defenders" of the interests of China and Barga are looking for?

John Nind Smith and the Reconstruction of China

SOMETHING akin to the effect of a bomb explosion was produced in British commercial circles in Shanghai recently when *Reuters* cabled to the Far East a report of a new syndicate which had been formed in England for the purpose of assisting in the reconstruction of China. The report gave the names of four leading British industrial concerns which were interested in the venture, their interests being in shipping, artificial silk, cotton and woollen goods, but since the original report was printed here, it has been stated that the syndicate is much broader and includes motor-car manufacturers, iron and steel producers, machinery, engineering, and so on. The name of the new organization is The Anglo-Chinese Trading Alliance and the purpose, according to the report, is to assist in the construction of motor-roads and railroads, harbor works, erection of factories, development of mineral resources, etc.

The most interesting phase of this significant report is that it is the result of long effort on the part of a British college professor, Mr. John Nind Smith. It probably is not to Prof. Smith's discredit that his name is not known in local foreign commercial and financial circles. But his name is known in Chinese circles, which *is* important from the standpoint of the important work which he plans to develop in China. Prof John Nind Smith, or simply, "John Smith" as the Chinese know him, was formerly a professor in Hongkong University at the time that Hongkong began having its troubles with the Chinese Nationalist, or Kuomintangists, at Canton. Prof. John Smith disapproved of the official policies of Hongkong toward Canton and according to the report, he had sufficient courage to express his disapproval in unmistakable manner in a number of addresses which he delivered in both Hongkong and Canton on the subject. According to the Chinese version of the affair, Prof. Smith, in the face of official disapproval of the powers-that-be in Hongkong, particularly the Governor-General, Sir Reginald Stubbs, went to Canton when the anti-British feeling among the Chinese was at its highest. He disregarded the so-called "anti-foreignism" which the British press in Hongkong and Shanghai was exploiting and went straight to the Chinese leaders and talked to them and finally convinced them that the great mass of the British people were not unfriendly toward the Chinese; that the British people generally were sympathetic toward the nationalist aspirations of the Chinese and wanted to see China united and independent. He particularly asked the Chinese political leaders not to judge all Britons by the intemperate and hot-headed actions of small groups of "die-hards" in Hongkong, Shanghai, Hankow and Tientsin who are not representative of the best interests of the Empire.

Prof. Smith's efforts as an unofficial diplomat were largely successful because the Kuomintang leaders gradually modified their anti-British attitude until the relations of Hongkong and Canton in recent months have been tremendously improved. But when

Prof. Smith went back to Hongkong after his Canton adventures, he received a cold reception and ultimately was forced out of his job on the faculty of Hongkong University. But this apparently did not worry him very much because he went straight back to England and continued his speech-making. His efforts on behalf of better relations between England and China undoubtedly must have had a considerable effect in the bringing about of modifications in British policy toward China. Then Prof. Smith turned his attention toward the formation of a new British syndicate for the purpose of giving practical application to the new British policy, he being fully aware of the fact that if Britain was to take full advantage of the new day which had dawned in China, that a complete new start would have to be made from the standpoint of personnel, ideas and ideals.

Complete details of the new organizations are not yet available, but the London and Manchester newspapers have reported that Chinese political leaders such as Dr. Wang Chung-hui, Sun Fo, C. C. Wu, Hu Han-ming and others while on their recent trip abroad, had conferred with British industrial, financial and political leaders and obtained their approval for the formation of a new syndicate for cementing the commercial relations of England and China. Prof. Smith is now supposed to be on his way to China for the purpose of carrying out the final details of the organization. The *Manchester Guardian* recently published the following report on the subject:

> "One of the most heartening features of the industrial outlook for this country to-day is the bright prospect of a revival of trade with China, writes a *Press Association* industrial correspondent. This is likely to take definite form within a very short time, for it is understood that a syndicate of manufacturers with interests in every department of British trade has been formed expressly for the purpose of reconstructing China's war-ravaged areas. Many important and world-famed firms are in the syndicates, and huge contracts will, it is stated, be signed. China is offering a vast trade to Great Britain, and contracts will be offered for the reconstruction of thousands of miles of railway and the development and reconstruction of roadways. There will be orders for motor and mechanical transport, bridges, public utilities, harbors, and all types of iron and steel constructional work. It is not, perhaps, too much to say that the vast Chinese territories administered by the Chinese National Government need complete reconstruction. That this great work should fall to this country is a matter for the keenest satisfaction. Events in China have in the past year militated against British trade, but since the Tsinanfu incident there has been a reaction, and in reliable quarters it has been stated that Britain is now making great trade headway in the Far East and capturing much of the trade formerly held by the Japanese. The great contracts which are coming our way should do much to encourage trade in our own country and to relieve unemployment to a very great extent. Apart from the question of trade, there is the equally and perhaps more important one of friendly relations. British diplomacy has been directed to the furtherance of trade and to encourage the young Nationalist Government to set its house in order.

AMERICANS AND GERMANS ALSO ON THE JOB

Although there have been no reports regarding specific new enterprises on the part of American industrial and financial interests in China, Mr. Sun Fo, former Mayor of Canton and Minister of Communications in the Nationalist Government, stated on his arrival in Shanghai last week after several months abroad that he had made preliminary arrangements for the participation of American financiers in the reconstruction of China. Just what these arrangements are is not known, but for some time it has been rumored that there shortly would be a regrouping of American industrial interests to enable them to participate more actively in developing enterprises in China than has been possible in the past. These rumors chiefly have centered about certain large electrical and machinery and engineering concerns who are said to be dissatisfied with their present representation in China and are seeking new means of getting into closer contact with the Chinese who are intimately connected with the reconstruction program.

There has likewise been little publicity regarding the activities of the Germans who are expected to participate extensively in reconstruction work in China, but the recent visit of the German Minister, Mr. Herbert von Borch, to Nanking combined with reports that Germany is planning shortly to send a permanent diplomatic representative to Nanking, indicates that the Germans are also on the job. The fact that the Germans have already revised their various treaties with China is considered by both the Germans and Chinese to be a great asset in the development of closer commercial and industrial relations between the two countries. There have been reports to the effect that the Nationalists have arranged for German assistance in the reorganization and munitioning of the Nationalist Army, but thus far there have been no official statement on the subject.

The Anglo-French Naval Pact and the United States

THE CHINESE may not be able to understand what it is all about—this squabbling of the major Powers over naval tonnage—but they may be sure of one thing: that all is not well in the relations of the so-called civilized Western nations. This thought is inspired by the *Reuter* reports which appeared in the local newspapers on Sunday, September 23 regarding the recently concluded, but still secret, Anglo-French naval and land armament agreement. According to the *Reuter* report, Mr. Hearst's *New York American* published a document alleged to have been addressed by the French Foreign Office to French Ambassadors abroad which showed that Great Britain and France had agreed to limit construction of large (10,000-ton) cruisers, but had agreed that small cruisers and coastal defence submarines should be excluded from limitation. This does not mean much to the average newspaper reader, but according to the *London Daily Telegraph* the main points of the Anglo-French Naval Compromise were that the numbers of submarines under 600 tons and cruisers not carrying guns over 6-inch caliber shall be unlimited, and that the numbers of smaller torpedo-craft carrying guns over 6-inch and other auxiliary vessels shall likewise be unlimited. The reason why this news produced a sensation in

the United States is that the Anglo-French Compromise strikes at the American naval program which is built on the principle that America requires a larger type of cruiser, a boat of 10,000 tons carrying 8-inch guns. The reason for this situation is that America does not possess the naval bases scattered over the world similar to the British Empire, hence requires a larger type of cruiser capable of wider sailing radius without the necessity of refuelling. The same naval requirement of the United States is also responsible for the demand for a larger type of submarine.

The local British press has printed little about the Anglo-French Compromise, aside from the brief *Reuter* reports, but an inspection of the newspapers from the United States and England which arrived on the last mail shows that the matter has received major attention abroad and that the alleged naval compromise also includes clauses pertaining to land armament which is of very great importance. For example the *Manchester Guardian* for August 25 stated that Great Britain has finally agreed to the French contention for a practically unlimited extention of land armament in the form of a standing army and reservists, the *Guardian's* exposition of French policy being as follows,

> "The foreign policy of France has one supreme purpose—to perpetuate the status of Europe as established by the Peace Treaties in the year 1919. For this purpose she maintains not only her own overwhelming military supremacy on the Continent but keeps a ring of armed nations, bound to herself by military alliances, grouped around Germany and the other defeated Powers. The distinction between victor and vanquished is thus made eternal; there is no real peace at all, but only an armed peace.

To understand this new situation which has developed in Europe in the past few months it is necessary to go back to the Washington Conference which attempted to bring about a limitation of naval armament. The Washington Conference was able only to limit the construction of major fighting ships, otherwise battleships and airplane carriers, the final ratio agreed upon being expressed in the figures "5-5-3," the two 5's representing the United States and Great Britain while the 3 representing Japan. The Powers represented at the Washington Conference could not agree on the limitation of the smaller type of fighting craft owing to the divergence of views on the part of the United States and Great Britain on the question of cruiser tonnage and the divergence of views on the part of Great Britain and France on the question of submarines. Japan sided with Britain on the cruiser question and since the close of the Washington Conference is supposed to have continued construction of this type of craft to the limit of her resources. Great Britain has likewise continued construction on cruiser tonnage and as a result President Coolidge at the last session of Congress recommended that the United States embark upon a program of construction of Twenty-Three 10,000-ton cruisers carrying 8-inch guns. The new American program was decided upon as a result of the failure of the Anglo-American-Japanese naval conference last year, the cause of the failure being based upon the long-standing British-American dispute over the cruiser question. What is happening is that the various nations are juggling for positions of vantage in preparation for the arms limitation conference in 1931 which was provided for at the Washington Conference.

The phase of the recent situation precipitated by the Anglo-French agreement, which has caused most misgiving in the United States has been due to the secrecy which has been maintained, a factor which also received prominence in an editorial in the *Manchester Guardian* on August 24, the editor of that paper being of opinion that European diplomacy is rapidly reverting to the status which prevailed in 1908 and which ultimately paved the way for the outbreak of the World War in 1914. This element was also mentioned in the *Reuter* reports published here last Sunday, several of the leading British newspapers being referred to as making the query, "Why all this secrecy?" Still another factor which is important in the United States is due to the fact that this is presidential year which makes such questions a matter of political controversy. Thus far the attitude of President Coolidge has not been made known, but it has been hinted in the press that the result may be to cause the Administration to recommend a continuance of the full cruiser program in the coming session of Congress. The following article by Mr. Kirke L. Simpson Washington Correspondent of the *Associated Press*, undoubtedly indicates Washington's official reaction to the new situation.

> "British Admiralty dislike of the 8-inch gun cruiser, dear to the American naval heart, and presumably of Washington plans for bnilding up the cruiser fleet with such ships, must have played an important part in connection with Franco-British naval limitation deal.
>
> "Despite withholding of the details of that deal from publication, it is clear enough that cruiser limitations are involved.
>
> The London-Paris deal may, and no doubt does, provide a face saving escape for France from the global tonnage impasse at Geneva. She seems ready to trade actual limitation by tonnage of certain types of submarines for acceptance of the principal of global tonnage limitation.
>
> "In other words, the project now put forward is that the universal arms limitation treaty toward which the Geneva conferences have been painfully struggling should allot each naval power its due number of tons of warships without any restrictions as to the type or class of ships to be built within that total tonnage other than as to size and armament which would identify each class. Simultaneously, however, agreed building programs to run, say, ten years would be worked out which would in fact fix the tonnage for each power in restricted classes for that period.
>
> **Where U. S. Comes in**
>
> "So far, no difficulties for the United States would be involved, although it all looks like merely beating around the stump the original Washington plan of limiting by tonnage each category of combat ships. But the London-Paris deal goes further and creates new categories not only of submarines, but of surface craft. It clearly foreshadows a new Admiralty drive to limit the number of 8-inch gun cruisers and leave construction of 6-inch gunners unrestricted except by the general global tonnage total. And there the shoe begins to pinch for Washington. That's where the three power conference collapsed with Washington and Tokyo returning a polite "No, thank you," to every different formula designed to reach the same end.
>
> "What seems to have happened is that London did a little dickering with Paris to obtain at least a degree of submarine limitation. Big, sea-going subs would be limited; little coast defense U-boats would not. But to offset that concession under which France could arm herself with small subs enough to make things difficult for the British navy in the event of a clash, the British retain an ace in the hole by reserving the right to build small cruisers, destroyers and other small types of anti-submarine craft ad lib. The only type of cruiser to be limited, apparently, would be the American favorite 8-inch gunners and the London-Paris deal seems to be leading up to a new suggestion that they be placed in a special class of offensive warships.
>
> **Cruisers Important**
>
> Right there the project steps hard on Uncle Sam's toes. American naval opinion holds the 8-inch gunners to be about the only type of cruiser valuable for American purposes. For one thing, they alone would have fuel capacity sufficient to afford protection, self sustained, along American trade routes in any sea, a factor the London Admiralty probably does not consider vital because of Britain's far-flung net work of fueling bases."

As stated in the opening paragraph of this discussion there may not be many Chinese who

understand all the ins and outs of this squabbling among the so-called civilized Western Powers over the question of naval tonnage, but they do know enough about it to realize that all is not well in the relations of Western nations which have interests in this part of the world. And it is having its repercussions in China as evidenced in the fact that most of the Chinese are of opinion that the only way out to international justice for this country is along the military route. In other words China is determined to develop a unified well-trained standing army the equal of any of her near neighbors and in addition is determined to develop a fleet capable of defending her extensive coast line. The Nationalist Government recently launched its first gun-boat and according to report has two others about ready to launch. In addition to the military phase there is also a disturbing element in the situation which has to do with international politics in the Far East. As stated in the editorial in the *Manchester Guardian* referred to in the foregoing the attempt on the part of France to surround Germany with a ring or armed powers is certain to force Germany to cast about for alliances to meet the menace which brings Russia and Italy into the picture. Furthermore the tendency on the part of France, with the now apparent backing of England to develop into the major land military power on the continent of Europe is also having its effect in Russia where a similar system of training school-boys for future warfare is being inaugurated. The disarming of Germany at the Versailles Conference was about the only constructive element in that treaty, because it has enabled Germany to quickly recover from the war and in addition it set a precedent for the other Powers to disarm. But there apparently have been no lessons learned either in the methods of diplomacy or in the potential dangers of excessive armament. Europe has apparently started out again along the old familiar road toward secret alliances and the balance of power theory and the United States, despite a once almost overwhelming sentiment against armament, is being forced to keep step with the European procession. The Russian communists ought to be encouraged, because another world war will produce millions of comrades for them in every land!

Additions to Department of Commerce Staff in China

J. J. Ehrhardt, American Trade Commissioner, arrived in Shanghai September 25 to spend a month or six weeks in the Shanghai office of the United States Department of Commerce, 3 Canton Road, before proceeding to his permanent post at Tientsin. Mr. Ehrhardt will shortly open a new office of the United States Department of Commerce at Tientsin, and will have as his assistant, Mr. Wilbur K. Hoyt until recently of the Manila office of the Department of Commerce. Mr. Hoyt arrived in Shanghai on September 27 from Manila, and will spend a week or ten days here before proceeding north.

Mr. Ehrhardt is a graduate Mechanical Engineer of Stevens Institute of Technology, Hoboken, N. J., class of 1913. For five years he was connected with engineering work and the export of sugar machinery with the American Sugar Refining Company, and the Allied Sugar Machinery Corporation. He was also for five years, sales engineer for Elliott Company, manufacturers of power plant equipment. Mr. Ehrhardt entered the service of the Department of Commerce in July, 1928, and was subsequently appointed to take charge of the Department's new office in Tientsin.

Mr. Hoyt is a graduate of the University of Oregon where he majored in economics—following which he attended school of foreign service Georgetown University, Washington, D.C. Following a short period in the Bureau of Foreign and Domestic Commerce, United States Department of Commerce, he was assigned to a post in Mexico City, in the office of the American Commercial Attache. During the past two years Mr. Hoyt has been Assistant Trade Commissioner assigned to Manila, and is now ordered to Tientsin in the same capacity. Mr. Hoyt is also a member of the Delta Phi Epsilon, the first foreign service organized fraternity.

Claims Japanese Not at Fault in Tsingtao Docking Incident

To the Editor, *The China Weekly Review*:—

I have read with much interest the account, published in your paper, of your observation trip to Shantung. It was however regrettable to see that you were led to entertain some misunderstanding on several points, and that the same misunderstandings were repeated in your recent article on the resignations of the Director and Assistant Director of the Tsingtao Wharf and Harbor Office.

As regards the affairs between the Chinese and the Japanese, I do not think it will be worth a while to make any explanation at this moment as the facts will speak for themselves in due course of time, but as to the question between the American cargoboat and the Japanese Military I think it necessary to let you know the real facts of the matter.

The truth is that the berth in question was engaged by the s. s. *Montana* for three days from July 12th to the 14th, and by the Japanese for two days from July 15th to the 16th This is an absolute fact accurately put down in black and white on the official contracts issued by the Wharf and Harbor Administration, but the arrival of the *Montana* was delayed and she came in on the morning of the 14th. It was quite clear that the *Montana* could not possibly disembark her cargo (lumber) within her period of contract, so it was obviously her responsibility to take the necessary steps to obtain due understanding from the Japanese—the next legitimate contractor of the berth—,or to give up the berth to the latter. Apparently she failed to do this, hence the misunderstanding, and the *Montana* took the matter up with the U. S. Consulate. Mr. Dorsey the U. S. Consul, considering that the affair concerned the Japanese Military Authorities, came to me and asked for an amicable settlement of the case. Whereupon I saw the Chief of the Japanese Military Transport Department, who being quite willing and desirous of making a smooth settlement of the question, consulted with the officials of the Wharf and Harbor Administration, and finally agreed to take a vacant berth nearby, abandoning the original berth to which they were rightly entitled in accordance with the Chinese official contract,—on condition that the *Montana* would clear the lumber landed on the pier, by the morning of the 15th, so as not to cause inconveniences to the transport of the Japanese troops. This was done with a spirit of friendliness and courtesy all through and there was no indications of trouble at all. The *Montana*, however, shamefully failed to keep their word and did not remove the lumber and caused a great deal of inconvenience to the Japanese in their performance of the work of shipping the soldiers, equipments, supplies, etc.

So you will see that this question was occasioned entirely by two days delay of the *Montana's* arrival. There was no sort of arbitrary attitude on the part of the Japanese. Mr. Dorsey, the U. S. Consul, was very pleased over the peaceful settlement of the matter and expressed much gratitude to me. I believe that you now have a very clear view of the case and will realize that all your description of the matter was absolutely wrong. If you would like to confirm what I say, I should like to suggest you to refer the matter to the U. S. Consulate of Tsingtao.

I am well aware that it is unavoidable for non-residents to act under a misapprehension, but I assure you that the foregoing is a true statement of the actual facts, as I was one of those who directly dealt with the case.

MAJOR I. SHIMONO,
The Intelligence Department,
The Japanese Third Division.

Tsingtao, Sept. 12, 1928

EDITOR'S NOTE:—The reference to a misunderstanding between the Americans and Japanese at Tsingtao over the docking of an American cargo steamer appeared in *The Review* on Sept. 15 and was to the effect that the Chinese Director of the Tsingtao Wharves and Harbor Works had assigned a certain position to an American boat, but that the Japanese military had requested that the American boat be moved to another location in order to provide docking space for a Japanese troop-ship. The report in *The Review* was supplied by one of the Chinese officials in the Harbor and Wharf Department at Tsingtao.

Movement in Shanghai to Celebrate Centenary of Leo Tolstoy

September 10 was the 100th anniversay of the birth of Leo Tolstoy, the great Russian author and pacifist. Belated preparations are now being made by a group of admirers in Shanghai to celebrate this centenary. All persons interested in such a movement are requested to communicate with V. A. Kusnezooff, a Russion mining and electrical engineer, living at 125 Avenue du Roi Albert.

British Firm of Accountants Charged with "Dishonesty, Embezzlement and Contempt of Court"

A well-known British firm of chartered accountants in Shanghai, Seth, Mancell and McClure, which for many years enjoyed a practical monopoly of the accountancy business arising from the old Mixed Court, was charged on Thursday, September 20 with "dishonesty, embezzlement and contempt of court" in connection with the hearing of a claim for salary and commissions filed by O. B. Gainsborough against a defunct French Savings Society known as the Compagnie Orientale de Capitalization. The charge was made by C D. Meinhardt, American Consular Deputy sitting with Judge Kao in the Chinese Provisional Court and in addition to the charges of "dishonesty, embezzlement and contempt of court," the British accountancy firm was dismissed as joint liquidators of the savings concern. The Court's charges were protested by Tom Griffin a member of the firm of British accountants, who asked that his remarks be made a matter of record.

The Provisional Court's removal order and charges followed the refusal of Mr. Griffin to comply with an order of the Court to pay over to the liquidation account the sum of $15.000 collected by the British firm of accountants for the liquidation of the Compagnie Orientale de Capitalization. The $15,000, it was revealed, was part of the sum of $80,000 which had been paid into the liquidation account by one of the directors of the defunct savings society in settlement of a judgment of the United States Court for China several months ago. At the last hearing F. J. Schuhl, attorney for Mr. Gainsborough, asked that the $15.000 which the British accountancy firm, Seth, Mancell and McClure, had paid into their own account in the Hongkong and Shanghai Banking Corporation, be returned to the liquidators. Judge Kao made inquiry as to whether this had been done and when Mr. Griffin replied that it had not been done because his firm wished to be protected in regard to its fees, the eruption started because it was shown that the British firm of accountants had disobeyed the Provisional Court order.

Judge Kao demanded, "Then you have failed to comply with the order of this court?" and this query was immediately followed by a similar demand by Deputy Meinhardt, "Do I understand you to say that you refuse to comply with the order of the Provisional Court?"

When, Mr. Griffin replied "Yes" to both these questions, Mr. Schuhl, the American attorney, suggested that the British firm of accounts, Seth, Mancell and McClure be dismissed as liquidators. Mr. Schuhl then said,

"In my opinion the statement of this receiver that he refuses to comply with the court's order is sufficient grounds for his dismissal, and futhermore he should be compelled to account for every cent that has come into his hands. It may be true that being a British firm, they are not subject to the jurisdiction of the Shanghai Provisional Court but this British firm of accountants having derived their powers of receiver from the Shanghai Provisional Court must comply with the order of the court which appointed them. And while they may not be subject to the jurisdiction of this court, the property which they have in their possession through this liquidation is subject to control of this court and, should they refuse to comply with the court's orders dealing with the funds of this liquidation, a suit could be filed in the British Supreme Court based on an order and judgment of this court. I am quite convinced that the British Supreme Court would uphold such an order or judgment."

Mr. Griffin, the representative of the British accountancy firm then stated that Seth, Mancell and McClure had had a contract with the old Mixed Court which had been broken and that his firm was seeking to protect itself against loss. Mr. Schuhl's reply to this was that, while Seth, Mancell and McClure might have suffered as a result of breach of contract with the old Mixed Court which preceded the present Provisional Court, this was not chargeable against the assets of the Compagnie Orientale de Capitalization. Mr. Griffin then revealed at this point that under a contract with the Shanghai Consular Body, the British firm of accountants, Seth, Mancell and McClure had enjoyed monopolistic privileges and that no other firm could be appointed receivers or liquidators, in the Provisional Court. When Mr. Griffin again confirmed his refusal to hand over the $15,000, this brought the charge from Mr. Meinhardt that this firm was guilty of "dishonesty, embezzlement and contempt of court," and then added that "this is putting it mildly." Mr. Meinhardt further stated that although the British firm had been guilty of contempt, nothing could be done about it in the Provisional Court as Seth, Mancell and McClure was a British firm and hence not subject to the jurisdiction of the Chinese Provisional Court. When Mr. Schuhl made a further request for removal of the firm as liquidators, Mr. Griffin protested and said his firm was willing to comply with the Court's orders but wished to protect itself.

The Court then ordered the removal of the firm as liquidators and also ordered that a statement of liquidation accounts be presented to the Court within 10 days.

French Police Arrest, Handcuff Prominent British Resident

The case of the French Municipal Police against Charles R. McGuire, prominent British resident of Shanghai on a charge of obstructing the French police in the performance of their duties, came up for preliminary hearing in the British Police Court on Wednesday, September 26. Mr. McGuire is the local agent for H. Morriss, one of the proprietors of the *North-China. Daily News*, According to the testimony presented in the British Police Court, a Chinese house boy employed on the Morriss estate in the French Concession had detained a little girl on the premises, the reason being that the child had been playing on the lawn and had broken a flower vase. Mr. Morriss was absent in Europe at the time. The mother of the child had complained to the French police and when the French detective, Leon Henri, arrived at the Morriss home Charles R. McGuire, the agent of Mr. Morriss had interfered by forbidding the house boy to answer questions put by the French policeman. Then according to the evidence, Mr. McGuire appeared at the French Police Station and had again obstructed the French police in the execution of their duty and had used allegedly insulting language toward the French police, one of the expressions used being "Damned Frenchman." The French police at this point placed Mr. McGuire under arrest and handcuffed him, following which he was taken in a motor-car to the British Consulate where the handcuffs were removed. The French police testified that Mr. McGuire had acted in a violent manner and had attempted to prevent the police from arresting and questioning the Chinese houseboy. The little girl which had been detained in the Morriss home was the daughter of Mr. and Mrs. Bathala, Portuguese residents of Shanghai. According to the evidence the little girl in company with some playmates had been playing on the lawn and had accidentally broken a vase. The house-boy had seized the little girl and had confined her within the Morriss home. The happenings at the French Police Station after the arrival of Mr. McGuire were described by the French Detective as follows:

"On arriving at the Police Station I gave the charge sheet to be made out for the arrested Chinese, and as soon as this was done, I spoke to the boy, who replied, 'Wait a minute, my msster is coming." No sooner were these words out of his mouth, then Mr. McGuire arived on the scene, very furious, saying: "Who arrested my boy?" to which I replied that I had done so. "Have you a warrant for his arrest?" he asked, to which I replied that I had, and showed him the warrant. At that time Mr. McGuire was near the desk, and I was near the Chinese boy. I then proceeded to take the boy by the arm, and said to my detective, "Take this man to prison." It was at this moment that McGuire, more violent than ever, turned round and pushed me away, and with the other hand forced the boy from my hold and that of the detective's; he was so furious that I could not understand what he said. Seeing that this happened in the presence of my Chinese detective, I would not let him put anything over on me, so I caught hold of McGuire and put him out of the charge room, saying then to my detectives, "Now, take this man to prison." This done, I brought Mr. McGuire back into the charge room, and myself put him behind the bars, first taking off his hat. Seeing how mad and theatening Mr. McGuire seemed, I went to my office, taking my handcuffs, which I put on him, and said to him: "Now I will handcuff you, and will send you immediately to your Consulate." As soon as this was done, I went outside to call my chauffeur, but he was away, so I ordered another motor-car which arrived immediately, and thus we left the police station. On arriving at the steps of the Central police station, there were about fifteen or twenty people gathered there including the boys and coolies of Mr. Morriss' house who came to see the "triumphal" departure of the boy.

The evidence in the case disclosed the fact that a mistake had been made at the British Consulate as regards the procedure to be followed in the endorsement of the warrant for the house-boy's arrest when it was presented by a representative of the French police.

Murder of Sun Ding-Yee and Probable Motive

BY JACQUES RECLUS

August 28th marked the assassination in Chekiang of Mr. Sun Ding-yee, an old revolutionist and Kuomintang man who has done as much as anyone in the territory of the Nanking Government towards the realization of the best principles of the Nationalist Revolution. Mr. Sun's work in the Hsiaoshen district in Chekiang has been so conspicuously successful, and has gained such ardent support and co-operation among the people, as to be worthy of special note. Here there has been a real attempt at the accomplishment of the social aims of the revolution. And this accomplishment is the cause of Mr. Sun's death.

I was in Saoshan in July, and had the personal opportunity of seeing some of his work. Clearly understanding that the poverty and exploitation of the peasantry made honest and democratic government an impossibility, Mr. Sun has devoted himself to the improvement of the material conditions of the agriculturists. As much as eight years ago, a peasants' union was formed in this district, struggling against the landlords for better conditions at the same time as the hostile attitude of the militarists in power brought them into conflict with the authorities as well. A number of leaders were imprisoned, one of them, Li Jung-fu, dying in prison. (There is now a well-traveled road and memorial arches leading to this martyr's grave on the hill.)

Mr. Sun Ding-yee, Prominent Member of the Kuomintang and Official of the Chekiang Provincial Government, Who Was Murdered, Allegedly Because of His Attempt to Institute Reforms in the Agricultural Districts of Chekiang.

Peasant's Movement Widens Work

Mr. Sun was early active in this peasant movement, and when the victory of the Kuomintang early last year made it possible for this movement to come out into the open, it grew rapidly, and was successful in obtaining radical reductions in rents. The now reorganized union carried out much the same work as previously, but more methodically and on a larger scale. Also, it widened its work beyond the mere struggle for lower rents.

In addition to decreasing the landlords' spoil, it was necessary to introduce so far as possible better agricultural methods, more advantageous means of marketing, improved domestic economy and hygiene, and so on. While going into these things as fully as possible, the union carried on a general survey of the district, and the conditions revealed, when the peasants actually compared notes, showed a most deplorable state of affairs, with many peasants in actual destitution and all the profit from the land going to the landlords, bankers and other money-lenders, and big merchants. They set out to change this.

Other Unions

At the same time, however, other unions were being formed. This being a farming district, the peasants were of course far the most important element, but other classes also organized, and a women's union was formed which carried on very active and widespread work in the enlightenment of their sex for greater freedom. In addition, a labor union was formed (general wage-earners), a merchants' union (small town and village merchants), and an educational union (students and teachers together).

A democratic form of local administration was established through these unions, in the form of a district council consisting of delegates from all such organized bodies, the peasants having a majority of votes in this council. Owing to shortage of funds, the council's work—which aimed at nothing less than the reorganization of the life of the district on a more democratic and equitable basis—had to proceed gradually, but their plans were well laid, and systematically if gradually carried out.

The Council's Work

Public works, education, and the gathering of statistics, were the main activities of the council. The statisticians were first busy on a general census of the district, including data on births, deaths, marriages, age-groups, illiteracy, occupations and unemployment. Some of the public works were actually carried on by the peasants' union, such as road-building. At the same time, another council was being organized in the eastern part of Hsiaoshen, on a similar but larger basis, intended to include the earlier council.

Thirty-five villages are included in the district of the first council,—mostly little hamlets of which the total population is only about 10,000. An excellent motor road runs through the district, with an autobus line which connects with a suburb of Hangchow at one end and the city of Shaoshing at the other. If one gets off at the village of Yarchien, where the District Council has its headquarters, one passes first a fine memorial arch now celebrating the emancipation of women, then along the beautiful and well-kept canal one comes to the building which houses the Council and its various offices and bureaus. This building is a fine-looking old temple which has been taken over and adapted for this work,—truly a significant picture of the new China.

The Council Building

The main central hall of the old temple has been transformed into a general assembly room, used for the meetings of the council itself and for the various unions and other public bodies from time to time. The place formerly occupied by a statue of Buddha is now taken up by a picture of Sun Yat-sen. At the side are the offices of the Peasants' Union, the Co-Operative Credit Union, the Village Council of Yarchien, the District Council of East Hsiaoshen, a public dispensary giving free medical attention, and a public writing-room. The whole building has been well fitted up, and is kept very clean and attractive.

Throughout the place are many diagrams, plans, and maps

on the walls, showing the work accomplished, that now in process, and that mapped out for the future. As for the Buddha and other religious statues, these have been relegated to a rather dark room—the museum—with labels of identification pasted up on their faces for the information of the curious.

The Co-Operatives

There are several co-operatives, far the most important of which is the sericultural, established with the help of the Institute of Agriculture of Chekiang province. This co-operative handles the cocoons brought in by the farmers, with whom silk is an important business. Previous to this year the farmers could sell their cocoons only to the few merchants who visited the villages, coming from Hangchow or Shanghai, and these merchants of course determined the price, which last year averaged about forty cents per catty. This year, with the organization of the Sericultural Co-operative, the farmers of the district bring all their cocoons in as ready, the worms are killed by heating, and the association disposes of them direct in Hangchow or Shanghai, resulting in practically doubling the price received by the farmers, which this year averaged about 75 cents per catty,—this by the simple elimination of the profiteering middlemen.

This co-operative is housed in an old but adequate building near the entrance of which, when I first visited there last spring, were a number of old graves. When I revisited the place two months ago these had all been cleared away to make a broad and open approach to the building.

It should be added that this clearing away of old graves, which take up much valuable land, is being done throughout this district, Mr. Sun and his colleagues having initiated this development.

Other Associations

There are other co-operative associations in existence. The Peasants' Union have formed a co-operative for the purchase of seeds, tools, and livestock. A credit co-operative has also been formed by the farmers of the district, each paying in a small sum monthly to create a fund which is being loaned out to farmers on security at a rate of ten per cent,-in contrast to the rates of one hundred to two hundred per cent per year taken by the moneylenders upon which these producers have hitherto had to depend in time of need. So far loans have been limited to thirty dollars.

The district is freed from beggars. Last year the Government started a plan to bring them to useful work, and collected them all, starting them in on outside work, either on farms or in the woods, or at petty repair work. They began with a two-hour day to accustom them to regular work, and it was intended to increase the working day hour by hour to the full eight hours, but the beggars didn't care for this sort of treatment, and slipped away one by one to other districts. They have all gone.

When the beggars left, the building which had been used to house them was utilized for educational work,-two hours daily being given for elementary education of illiterate women. Some little girls also, whose parents could not or would not send them to the full-time school, received instruction here.

Women's Union

The Women's Union has a building of its own, where the orphans of the district are taken care of. It is a very well-kept place, with baths, etc. There are a few educated women in charge of this work, with peasant women as assistants. Like every building where Mr. Sun's influence has been effective, the place is notably clean.

The Women's Union has been very active, holding a meeting in a different village each week, teaching women their rights and opening their eyes to a freer life. There are also lectures on child care, domestic hygiene, etc. There has been no education, however, in birth control.

There is a big public playground in the district, in a hollow between two hills, with gymnasium apparatus and surrounded by trees. This ground is also used for big mass-meetings. In addition, there are a number of smaller plots used as combined meeting-places and playgrounds in different parts of the district.

Big Outlay on Work

To carry out all the work done in this district, which includes the work of the farmers' union and wage-earners' union, the educational activities of the women's union, the care of the orphans, the public dispensary, and the various other activities outlined above, has meant a considerable outlay of money. The co-operative associations, of course, are self-supporting, but the other institutions are not, and for a while expenses amounted to a hundred dollars a day or more. These expenditures were paid by Mr. Sun himself for a while, he owning nearly all the land and much property in the district, but as his resources diminished—he sold (to get funds for the work) or gave away to the peasants almost all his land,—he called upon other wealthy men to contribute, which a number of them did, though unwillingly. It was these levies which led to Mr. Sun's death.

All of Mr. Sun's work was simply the carrying out of the Three Principles, the basic ideas of the Kuomintang,-including the third principle of the people's livelihood. Hence, the associations formed were under Kuomintang influence, and were considered branches of the local Party. It was difficult, therefore, to refuse money for their support, and this partial redistribution of wealth Mr. Sun carried on very energetically, starting of course with his own property. It was a wealthy tea merchant, who had been called upon for a subscription of $7,000 for the social and educational work in process, who hired a professional gunman to assassinate this leader of the people.

Socialist and Scholar

Mr. Sun was born right in this district where he carried on his work of socialization, having first seen the light of day in Yarchien in 1884. His father was a wealthy man, and at that time was governor of Formosa. He early got a political appointment for his son, who became magistrate of Yunnan at the age of nineteen. He became a revolutionist, however, and worked actively in the overthrow of the Manchu dynasty.

Sun Ding-yee became very well known as a poet, a scholar, and a socialist. He spent a number of years in Japan, and also traveled much in India. He came to Shanghai in 1920, and edited here a periodical in Chinese known as the *"Weekly Review,"* definitely socialist in tone, Tai Chi-tao co-operating with him in this work. The paper, well-written and very scholarly, exerted some influence at the time.

Kuomintang Member

Mr. Sun was a member of the Kuomintang, and generally known as one of the Western Hills faction. He became Chairman of the Chekiang Government under the Kuomintang last year, and also became a member of the Central Executive Committee of the Party. In addition to his other work, he was head of the place of detention for political prisoners in Hangchow, where politicals (generally Communists) were confined, and which became known as the "meditation chamber." Mr. Sun regarded meditation and understanding, rather than wholesale executions, as the "cure" for Communism.

On August 28th Mr. Sun was returning from a trip to Mokanshan. There were two other passengers in the autobus with him when they reached Yarchien. As he alighted one of them drew a gun and shot him dead, five bullets passing through the devoted servant of the people. Later arrested, his assailant turned out to be a soldier connected with the department for the suppression of smuggling, and hired by a wealthy merchant to do away, once and for all, with this man who was helping the common people to straighten their bowed backs, raise their bowed heads, and demand their share in the good and beautiful things of life.

Shanghai Sept. 25, 1928.

Thinks Hoover Will Be Elected

Robert L. O'Brien, editor of the *Boston Herald*, who spent considerable time in the Far East last year, has written a friend in Shanghai forecasting the election of Hoover this fall. Mr. O'Brien said,

"Of Hoover's election, I feel very confident. The betting in New York is 2 to 1 in his favor. The border states are crumbling. No daily newspaper in Oklahoma now supports Smith. That state will go for Hoover and so will Tennesee (which went for Harding in 1920) and Kentucky, which went for Coolidge in 1924 is also likely to go for Hoover. The Democrats cannot lose these border states and make up in the North. All the Northeastern states will be for Hoover. He may lose New York and New Jersey, but this is by no means a foregone conclusion. Maryland will probably go Democratic and perhaps Delaware where Rascob (Chairman of the Democratic Campaign Committee) and the Du Ponts (also for Smith) have great influence.

"The Mississippi Valley is overwhelmingly Republican. Missouri is a doubtful state and perhaps Illinois is also but they would not make a sufficiency for Smith. While I have no stock in the 'Old South' breaking up, except North Carolina, where Senator Simmons has bolted Smith, but will not vote for Hoover, I do feel that the Democrats will lose a lot of border states without which they will be powerless to win the election.

"This country is pretty dry. The Missouri Democrats nominated a dry over the protests of Senator Reed a Democrat and wet. The Ohio primaries gave the odds to the drys in both parties. This country is not going to reverse its prohibition policy. This is how I feel about the political situation in a nutshell."

The Student Movement and Chinese Education

BY HARVEY R. HARRIS

I propose in this article to review (as well as I may in a very general treatment) the trend of education in China, particularly with reference to the students of today and their inspirations and to the central educational authorities and their present high purposes. I shall try to indicate, moreover, a few of the latest reassuring manifestations in the educational field, the appearance of which holds forth splendid fresh promises for the future of China, despite the still persisting need of warnings and of a precautionary attitude.

The Student Movement

In dealing with the problem of education in China, we immediately encounter what has come to be known as The Student Movement. Although it is but a part of the whole educational movement, I wish to refer to it at once. Doing so will have the double advantage of bringing to the fore what so many believe to be the most important aspect of education and of preparing the way to show the true place of this aspect in the educational trend. Many lament The Student Movement (first, because of certain unhappy practises that are associated with it; second, because of its serious neglect of education); but inevitably all must recognize that it has co-operated with the political spirit of New China in a most unique if not always in a commendable fashion. Whatever criticism the world is disposed to make (and surely a tremendous amount of unsympathetic criticism, born of incapacity to envisage the whole situation, has been offered), it cannot suppress the fact of the loyalty of the children of China to their country. However the world may reflect and moralize on the impetuous nature of inexperienced youth, it is compelled to admit that without the impetus afforded by the students, not only would the revolution in the political situation have foregone valuable support but also would the revolution in education be experiencing at the present moment delays, uncertainties, and frictions far more vexatious and perhaps far more serious than those that have come to our attention.

At the risk of seeming to uphold certain ill-advised activities, I must assert at the outset that I believe the student to be so vital to the actual development of educational ideals in China that, when I wish to remark the real forces of education in this country, I am often constrained to point to him rather than to those authorities who are so generally but not always so meritoriously honored as the true moulders of educational policy. Many of the activities within The Student Movement may not have an educational bearing, it is true; the first founts of the inspiration of the students may not have been the central authorities, either educational or political; the thinking of the students may have been seriously affected by such things as the traditional habit of arriving at convictions through logical meditation rather than through the practical consideration of actual conditions, the influx of Western ideas, the influence of political leaders interested only in private ambitions, the anti-foreign preachments of the Communists: the many and various phases of The Movement present innumerable potentialities for observation and comment; but, so far as education strictly is concerned, the great outstanding fact is that student insistences have exhibited of late such a remarkable effect upon the educational authorities that the prevailing educational policies are surprisingly different from what they might have been had the student remained indifferent to propaganda or passive to tangible current events. And there is no indication that this striking influence of the student upon the educational life of China will soon diminish.

It will be noted that I have tended in the above paragraphs to broaden the early conception of The Student Movement. I have done so purposely. Heretofore, The Movement has been so closely associated with the political life of China (The Movement, politically, was the child of the decision of the Versailles Conference to give Shantung to Japan) that many people failed to see in it any educational import whatever; and frequently students who are immediately interested in education have been disassociated from those who have made political demonstrations. Today, however, in the face of developing conditions, such disassociation tends to faulty estimates; for although The Movement presents two distinct phases, educational and political, these phases are amalgamated. This amalgamation implies a growing belief in the necessity of education as the only means to national and governmental improvement. The American platitude that ambition cannot take the place of learning is something of a revelation to many modern Chinese student; but that the revelation is an actuality is evidenced in part by the opening of new schools and by the greatly increased numbers of registrants. There is reason, then, for the assumption that the day of super-patriotic demonstration is almost over; that a period of calm pursuit of knowledge in the interest of an efficient preparation for patriotic services is inaugurated. The show of eager and susceptible but inexperienced Youth trying to reach a coveted end only to run into pitfalls, making, finally, a crowning mistake that puts him into great disrepute, and finding himself coming into fuller knowledge of his problem and following the subsequent incentive to moderation has probably been quite fully enacted again. If we may hope that such things as the recent assault upon the faculty of Tsing Hua College have now provided the "crowning mistakes", perhaps we may reasonably look for a general subsidence of student impetuosity almost everywhere in China.

The Development of Student Influence

It will not be necessary to my purpose to trace the history of student activities which pertain to the political phase of The Chinese Revolution, however interested in this phase students have been or still are; but an understanding of the development of student influence upon educational standards is, as I have suggested, most necessary to a just comprehension of the prevailing educational situation.

To come to such comprehension, then, we must first bear in mind that the student of conservative, secure, Confucius-loving China, such as it was in the earlier period of the Manchu Rule, was a relatively inconspicuous entity in the educational system. He plodded along in the traditional way, learning intricate characters, memorizing passages from his "Trimetrical Classic" or from his "Canon of Filial Piety", and, finally, reading the Five Classics and preparing essays and poems in accordance with set rules and requirements. To fit himself for a position, he studied history, philosophy, ethics, poetry, and the like; he took many hard examinations, and frequently failed. The weak dynastic rulers of the later Manchu Period, responsible for the education of the youth of the country, could not maintain the education system, such as it was, with the result that instruction was finally received only by children of the wealthy and by children who were able to attend schools maintained by benevolent and interested persons of the well-to-do class. Little wonder that at the end of the Manchu regime (1912) ninety-seven percent of the people were illiterate! But the great change came at length when the peoples of other nations brought to China their own ideas of civilization and of education. At first, the Chinese were merely interested; later, after the humiliation of the Sino-Japanese War, the new ideas were avidly sought as the only means to the salvation of China. These ideas, which were sometimes absorbed completely, sometimes modified by various other political or education influences, developed along different progressive lines. In one instance, a composite conception of democracy was formulated; in another, a definite trend toward "intellectualism" was established. Unfortunately, the conviction took root, not always without foundation, that certain countries had deliberately undertaken to plant Occidental education in China, not for altruistic but for imperialistic reasons; but despite the resulting enmity between students and teachers, both manifestations persisted. Following a series of reforms, the intellectual movement took more definite and enlarged shape under the label, "New Tide",—a term taken from the title of a student periodical which dealt with the new and progressive ideas. This "tide" first involved only literary consideration, such as the acceptance of the Mandarin dialect (Pei-hua) as the literary language of China—an event which had most marked influences, not only upon reading material but upon methods of teaching and even upon the programs of those interested in the Mass Education Movement. Later, the "tide" incorporated social and political reforms into its enlarging field of interest. Many refer to the whole movement as "The Renaissance of China," so completely has been the attack on all kinds of tradition, so efficaciously has it frowned, in particular, upon the old systems of education. With the advent of the political interest came The Student Movement (as it was first understood), which was so effectively encouraged by the Kuomingtang and other radical political parties that the intellectual leaders were eventually definitely involved in the political controversy. These later social and political interests have greatly impeded education proper; but as I have stated, the pendulum has begun its slow swing back to educational interest as the matter of greatest immediate importance.

The Prevailing Systems

This very sketchy account of a growing education enthusiasm, together with its incidental attachments and vicissitudes, explains only in part the relation of students to educational policies. To complete the explanation. We must refer to actual conditions such as the students of most recent years found them in their schools. It is not enough to know that there have been pleas of self-determination and cool demands of various kinds upon both school authorities and public; we must seek knowledge of those prevailing systems that helped give rise to the pleas and demands. Dr, Paul Monroe, in his "China, a Nation in Evolution," affords much insight into the

matter. If I take the liberty of changing the position of a statement or two, I can do no better than to quote him at length:

"As the schools were so organized that teachers had little contact with and no responsibility for the conduct of the students, it was easy for outsiders to intrude and to usurp that authority. One curious aspect of the situation is that the public agitation is largely through the students of the middle schools, more amenable to mob psychology, who force their assumed will upon the older students. These younger students are well organized, but naturally lack leaders. Outside agitators, paid or partisan, find it a fairly simple matter to gain confidence and assume leadership by calling for revolt against repressive authority. Student organizations representing schools or cities of provinces have formulated general demands (as a result of such influence) and have served them on school authorities and on the public. One of these demands is that the student body may have a part in making the curriculum of the school, either through participation in an administrative committee of the school or with power of rejection of a subject by the student committees. But the situation is not that of Western schools. The subjects of study are largely Western; hence, more or less foreign to the student's native culture. There exists no familiar handles by which he may take hold. Then, again, the text books in the higher schools, and occasionally in the middle schools, may be in a foreign language, which he understands indifferently. To the teacher also the subject of instruction is foreign, and his knowledge of it he has gained through a foreign language, which he may understand but little better than his pupil. He does not venture far from shore. He teaches by lecture, written out and dictated; the student copies. Very often this is all that the student has; with no explanation, no discussion, little supplementary reading possible in his native language, for it does not exist. In the sciences there is little or no laboratory experience; and such as there is, is usually by observation. This description is not true of the best schools, but it applies to the vast majority. When to this situation is added the fact that the teacher is paid by the lecture hour and usually has no further responsibility or interest in the student—oftentimes being merely a 'job-holder' and compelled to teach in a subject for which he has little preparation—there is little wonder that the student objects to examinations and desires to have some part in the determination of the subjects he is required to study.

The Cry for Self-Government

"Demand for some form of student self-government has a similar explanation. The administration of the school receives its funds on the basis of a student *per capita*. As running expenses are largely fixed charges, the chances for a satisfactory financial showing depend on a full student quota. Consequently, since no student is expelled except in last extremity, there is little administrative control. Teachers are paid only for instruction, and rarely manifest interest in the conditions of student life. As stated previously, students are housed in barracks, with little comfort, no oversight, no leadership except what they furnish themselves, little interest in athletics, and little opportunity for recreation of any kind; and to accentuate these deprivations, there is great over-crowding. There is indeed absolute need for student self-government, and for student participation in the conferences, to counteract arbitrary administration, which can be so lacking in understanding or sympathy.... In the present extreme conditions, in many places students have taken entire control of student conduct out of the hands of the authorities.

"Of the demands on the school administrations, similar explanations are forthcoming. Heads of schools are political appointees, dependent upon their political good standing for whatever support the school may obtain. The financial organization is wholly in the hands of the local administrator, so far as the faculty is concerned but, as explained above the students hold the whip hand. Since the teaching force is not in a position to exercise much if any influence on administration, the student body does. Among their demands are control of fees, contribution of the administration to expenses of the student organization, abolition of scholarships based on scholarly work (in the name of democracy), representation at all meetings of arbitrary administrative bodies, and the right of referendum on administrative action concerning instruction or student control... Among the demands concerning students' conduct and rights are those for complete freedom of speech, of publication, and of movement (no school regulation concerning compound or dormitory) and veto power over expulsion of any student."

Dr. Monroe has given very suggestively in this general survey the background of some of the present forces in Chinese education; and he prompts us to ask, How did the higher educational authorities react to the student complaints and demands? Just what are the present relations of these authorities to education anyway? The answer to the first query may be briefly stated: the authorities, weak because of the loose and more or less arbitrary structure of the educational system, especially with reference to the primary and secondary schools, have had little important reaction of any kind. Political conditions being bad, funds for educational purposes being confiscated for military uses, the teaching personnel of the schools being most inadequate, there was nothing to do but to "stall" as much as possible and to give in, when necessary, to student demands—which, as we have seen, were not always without just foundation. The authorities could but hope for a favorable change in general conditions. Recently, when the Education Conference produced its resolutions (the success of the southern armies in the North having rendered such conferences possible), the desired change, at least in organization occurred, and the hope was greatly stimulated. Certainly, the effect of this conference upon the morale of the students has been good. Although all of their demands were not complied with, many students appreciated the attempt of the authorities truly to meet the students' needs and desires. All look forward to the full realization of the plans of the various committees which are in charge of various phases of the new educational work. Obviously, patience is the virtue in which students are in great need; for the dream of a perfected educational institution must continue many years before there can be full realization.

The Influx of Western Education, and The Decadence of Absolutism in Chinese Education

The answer to the second question. What is the relation of the present authorities to education in China? should not be directly attempted. We can understand their relation to a degree by referring to the programs they have adopted; but we can arrive at a fuller understanding by reviewing some of the salient features of systems which, since the Treaty of Nanking, 1842, have been put into operation. With the aid of the valuable article, "Twenty-five Years of Modern Education in China," by Dr. Ch'eng Ch'i-pao, I can without difficulty present these salient features. Indeed, the remainder of this article is for the most part a summary of what he has very authoritatively written.

The Treaty of Nanking marked the opening of mission schools and the first contact of China with Western education. The Treaty of Tientsin (1858) provoked greater interest in Western education by stipulating that all diplomatic documents be written in both Chinese and Western languages. The consequent diplomatic need of familiarity with Western languages alone resulted in the establishment of The Language Institute in Peking in 1862. The establishment of other schools followed: preparatory language schools in Shanghai and Canton; a Naval School in Foochow; a Telegraph School in Tientsin; a Mining Engineering School in Hupeh Province; a Military Medical School in Tientsin (1888), and others. Then came the Sino-Japanese War, the result of which awakened China to her weakness as never before and to the inevitability of accepting Western methods in education. This awakening was followed by a tremendous impetus to education, which proceeded as a result of the Boxer Trouble.

The Empress Dowager formulated the first system in Modern Chinese Education when, in her edict, she provided for:

(a) a national university which was to be established in Peking;

(b) colleges which were to be established upon the foundation of the old study-halls of the different provinces;

(c) middle schools which were to be established in the different prefectures of the province;

(d) primary schools which were to be established in the different districts of the prefecture;

(e) classics which were to be made the core of the studies;

(f) history and arts which were to be offered as supplementary studies.

A second edict provided for the first official system of public schools. Soon afterwards, the old examination system was modified, and finally abolished altogether. The new system, which made Peking University the center of all school authority, made no provision for the education of girls; required four years of work of middle school students; required three years of work of university students; and divided the university proper into seven colleges—political science, literature, commerce, agriculture, natural sciences, technology, and medicine being the several subjects for specialized study.

The System of 1903 followed upon the heels of the Empress Dowager's edicts. It separated the departments of administration from the schools; agreed that female education should be included in "family education"; required five years of work of middle school students; and added a new college of economics to the university.

Between 1903 and 1912 there were some important changes: the first Ministry of Education was organized

(*Continued on page 156*)

Open Door Must Stay

BY ALBERT W. FOX

(*In Washington Post*)

Revival of reports that Japan may seek to establish a sort of Monroe doctrine in Asia for the purpose of dealing with Japanese interests in Manchuria was noted in official circles here yesterday but brought no official comment from the State Department.

Nothing short of a policy of desperate expediency could prompt the Japanese foreign office to embark on such a course, it is emphasized, and in no case would there be a real similarity between the position which Japan takes toward China, and the position which the United States took toward the nations on the American continent in the Monroe doctrine.

The Monroe doctrine, enunciated by President Monroe in his message to the Congress, December 2, 1823, was aimed at the protection of the United States against European powers which might be expected to gain a foothold on the American continent through conquest of weaker American republics.

The American continents, "by the free and independent condition which they have assumed and maintain," President Monroe said, "are henceforth not to be considered as subjects for future colonization by any European power.

"We owe it therefore to candor and to the amicable relations existing between the United Staies and those powers," President Monroe added later, "to declare that we should consider any attempt on their part to extend their system to any portion of this hemisphere as dangerous to our peace and safety."

Although the Monroe doctrine has never been admitted by European nations to have the force of international law, this doctrine is conceded to have modified the whole subject of international law, so far as the United States is concerned.

Foreign powers have on all occasions willingly or unwillingly acquiesced in the doctrine when the United States has insisted that the principle be applied, but at no time has the United States sought by the Monroe doctrine to assume a general protectorate over other American republics or to claim special rights or privileges in its dealings with American republics because of the doctrine.

Japan could only apply a Monroe doctrine—in case she decided to adopt that principle for the Far East—to some foreign power seeking conquest in China or Manchuria, for example, and the application would have to be based on the contention that such action was dangerous to Japanese "peace and safety."

But the crisis in Manchuria, which is giving the Tokyo government such deep concern, does not involve any foreign power excepting Japan.

It is a clash between Chinese, whose sovereign political rights over Manchuria are not disputed, and the Japanese, who desire the protection of all important special interests at whatever cost.

There is ground for the contention that Japan regards these special interests as important to her national as well as her economic welfare, but so far it has not been asserted by the Japanese government that protection of her special interests in China, or maintenance of what Japan considers her rights or claims, justifies interference with Chinese sovereign rights in Chinese territory.

And any doctrine enunciated by Japan for the purpose of nullifying China's right to political control of her own country would, it is pointed out, be something entirely different from the doctrine of Monroe.

It has been suggested that Japan might find it expedient to have the powers recognize some sort of regional understanding in the Far East whereby Japan, at the threshold of China, would be accorded a privileged position in international law and not be subject to all the provisions of the covenant of the League of Nations.

This covenant recognized regional understandings and admits that some of the league provisions must be viewed as subject to modification where these regional understandings are involved. The reason for this provision in the covenant was to enable the United States to join the league without abandoning the Monroe doctrine.

But Japan has never asked the league or the powers to recognize any regional understanding which would entitle Japan to a privileged status in her dealings with China. Furthermore, such a request by Tokyo would be regarded as violative of the letter and spirit of the Washington conference, and in direct conflict with the American principle of the open door.

Chinese Labor in Straits Beset with Difficulties

BY J. A. J.

INDICATIONS are that an unusually large number of Chinese immigrants will be denied entry into the Philippines and the Straits from now on until the labor situation shows considerable improvement, and until a more satisfactory system of supervision is inaugurated at the starting point. Immigrants into the Philippines are alleged to have been supplied with documents by unscrupulous individuals in the Islands containing false details calculated to hoodwink the immigration officials into giving them permission to enter. Recently, the steamer "Susana" took back to Amoy no fewer than 150 Chinese who were turned back because of failure to possess documentation with the necessary requisites.

In Malaya, the authorities have clamored for greater power to deal with the labor situation. It is claimed that on account of the great number of unemployed, crime has assumed serious aspects in recent months. As far as tin mining is concerned, the Chinese coolies have practically the monopoly of the labor. With tin at a low price, many an open cast mine and many a kongsi of tributers will find that ground of low values which might have paid a fair profit when tin was fetching a good price, is now hardly worth while exploiting. Most such mines will have to cease work. In fact it is one of the factors which is always considered, when the price of tin fluctuates, namely, that it is only when prices of tin are high that the low grade manually worked tin mines can flourish and that when prices are low these cease work, so that there is an automatic readjustment of output, less tin being produced when the price is low and more when prices are attractive.

General Unemployment

It is to be taken for granted, therefore, that with a prolonged period of low prices, there will be unemployment. The mining coolies will not be in a position to obtain work on the rubber estates as the difficulties which confront the rubber industry is to know what to do with the labor the estates do not require. Many an expensively run rubber estate will have to close down if rubber prices fall much lower and continue to do so for any length of time.

There is now a general movement of coolies toward the towns and many of them fall easy prey to crime and agitation. It is being pointed out in Malaya that if steps are to be taken to prevent the admission of undesirables, the government should be possessed of greater powers than it has asked for, and a far more thorough system of supervision brought into force. Any system whereby immigrants are allowed to enter without time being given for a careful and close scrutiny can neither be thorough nor effective. It is affirmed that under the present rules it would be easier for communists than others to enter for the simple reason that they have money and influence behind them and are in a better position to hoodwink the police. They can come with all sorts of credentials manufactured to reassure the immigration officials. The examination of boatloads of coolies has of necessity to be hurried.

Injustice to the Coolies

There is also the undoubted hardship caused to innocent men of the coolie class who have saved up or borrowed sufficient money to bring them out and then find that they are turned back. It is being suggested, therefore, that there be but one or two portals from which immigrants must leave their country, that they be made to stay there long enough to give the authorities time to reject the politically and physically diseased and that they be not allowed to embark at all except under shop guaranties. The cost of such an elaborate system can easily be met by the immigrants themselves. If they have been able to save or borrow sufficiently to allow them to leave their homes and go out in search of work, a dollar or two extra ought not to make much difference. The scrutiny of the immigrants on arrival should be regarded as only a second line of defence. The final line of defence, argues a Straits editor, should be the registration of all immigrants upon their arrival, and the deportation of all those found to be without work. It is from the ranks of the unemployed that the communists and the secret societies can enlist their bullies and gunmen. There is every reason to believe that Malaya will take some time to get back to its former prosperity. When unemployment is rampant and the authorities are taking steps to repatriate large numbers, all immigration should be stopped, and the fact should be broadcast in the recruiting centers in China that there is not enough work available at this time. The shipping companies should be plainly told that it is their duty to stop accepting coolie-passengers until such time as conditions in the labor market have assumed some semblance of normality.

Hongkong, September 15.

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The New Cotton Futures Market in China

H. D. FONG. PH. D.*

Roughly speaking, a produce exchange is an organized market in which both buyers and sellers assemble to trade in one or more commodities. Its services to producers and consumers alike are too numerous to mention, of which speculation, despite its abuses frequently exaggerated by the general public, is probably the most important and useful from the social or economic viewpoint. Through speculation hundreds of thousands of persons in the world of cotton production, manufacture and trade are protected from the inevitable risks arising from constant price fluctuations. This protection, or price insurance, is technically known as hedging, and has been the major function performed by the world's leading cotton exchanges for the last sixty years. The Liverpool, New York and New Orleans Cotton Exchanges have long been recognized as the chief centres for dealings in cotton futures, while other markets in Chicago, Bremen, Havre, Alexandria, Bombay and Osaka have also promoted speculation to a varying extent. In 1922, China too witnessed the establishment of a new cotton futures market: namely, the Chinese Cotton Goods Exchange in Shanghai.

Significance of the Chinese Exchange

The Chinese Cotton Goods Exchange, organized under the able leadership of Mr. H. Y. Moh, a cotton magnate, is a significant addition to the modern economic institutions that have been daily introduced into China, a country commonly referred to as the land of medievalism. It represents the beginning of a new era in China's largest factory industry—cotton spinning and manufacturing. Prior to the World War the cotton industry in China was in an undeveloped state. In addition to the native yarn and cloth produced under an archaic system of industrial organization, China depended primarily upon British and other foreign sources of supply for the clothing of her four hundred million population. The outbreak of the War limited these foreign *sources* of supply, and opened up a new field of industrial enterprise to the native capitalists. The absence of keen foreign *competition*, coupled with high prices paid for the native products, resulted in huge profits to the Chinese manufacturers. The industry was rapidly developed under favorable circumstances; and the magnitude of its sudden growth is indicated by the fact that whereas in 1914 China had a total spindleage of but one million, today she has increased it to about three million and a half. This increase in Chinese cotton manufacture necessitated a similar increase in the facilities for marketing the raw cotton as well as the finished cotton goods, and the establishment of the Chinese Cotton Goods Exchange was consequently the most natural result. Secondly, the emergence of China as the third largest cotton producing nation of the world, according to 1927 statistics of cotton output, justified the organization of a marketing institution such as the Chinese Cotton Goods Exchange. Cotton production in China for the past few years has been subject to many handicaps from which other nations are chiefly immune; namely, wars, famine, social unrest and other changes of vast scope incident to a nation in rapid transition from an old order to a new. The unification of China under the present nationalist regime, already recognized by the United States and the League of Nations as the sole responsible government, will naturally hasten the country's reconstruction, and cotton production, above all, will receive due encouragement for further development. The new Chinese cotton futures market, in that case, will expand its service for hedging purposes to the cotton farmers, merchants, brokers, spinners, manufacturers and other classes. It is not unreasonable to expect that the market will soon rank immediately after the leading cotton exchanges in New York and Liverpool.

Unique Features

The unique features of the Chinese Exchange afford unusual opportunity for comparative analysis to American students in organized produce markets. It is needless to deny that China in recent years has been introduciug western methods and technique for her national industrialization, but it is equally important to bear in mind that she is not reproducing them in *status quo* but is adapting them to fit her own needs. The name itself, "the Chinese Cotton Goods Exchange", which is unfortunately not truly representative of all its activities, invites skepticism from a western observer. The Exchange transacts futures not only in cotton goods, but also in raw cotton. American students recognize that future dealings in raw cotton are economically sound, as raw cotton possesses all the prerequisites for future trading. Cotton goods, on the other hand, are not in the same category in this regard. Cotton goods, because of their numerous varieties, whether in yarn or in cloth, are not subject to systematic grading, and therefore not adapted to trading in the futures market. Again, as manufactured goods, their supply is reasonably subject to control, and their price fluctuations are seldom as violent as those of raw cotton. Absence of price fluctuations is death to speculation. In both respects, however, special conditions exist in China that qualify cotton goods for future trading. On the one hand, the Chinese cotton industry, despite its rapid development since the war, is still backward as compared with the British or American. Its products are invariably of a coarser type, uniform in grade but simple in quality. In the futures market, yarns of sixteen counts are taken as the basis, with allowance for additions or deductions due to grade differences. On the other hand, price fluctuations in Chinese cotton goods are at times extreme on account of unstable conditions of supply and demand. On the supply side, we must not overlook factors such as the political relationship between China and Japan. A revival of the Japanese gunboat policy in Chinese diplomacy usually brings a new wave of anti-Japanese economic boycott. Cotton goods produced in mills located in China but owned and managed by the Japanese capitalists count for forty percent of the total Chinese supply in cotton goods if we exclude the imports from abroad. As soon as a boycott of Japanese cotton goods is proclaimed, a price rise in favor of the Chinese cotton goods immediately ensues. On the demand side, the civil strife in China has exerted a preponderant influence upon the prices in cotton goods. A resumption of fighting interrupts the regular channels of trade, and paralyzes the operation of industry. A business depression generally prevails under these circumstances, and the purchasing power of the consumers declines. A fall of price in cotton goods is consequently the result.

A Profit-Making Enterprise

A second unique feature of the Chinese Exchange is its organization for the purpose of profit-making. In America or England, the cotton exchange, like other produce exchanges, is an association managed and owned by the members—whether brokers or jobbers; in China, the brokers are the clients of the Exchange to which they pay a commission per contract for the use of Exchange facilities. As a profit-making enterprise, the Chinese Cotton Goods Exchange is subject to the Chinese Commercial Associations Law, and is organized as a limited liability corporation. It has a capital investment of $3,000,000 Shanghai currency, which is approximately equivalent to £1,500,000 American currency, and is represented by a Board of Managers elected every three years by the stockholders who must be Chinese citizens. The Board of Managers is composed of fifteen stockholders, each of whom must own at least two hundred shares of stocks at fifty dollars Shanghai currency per share, must be not less than twenty five years of age, and must possess experience and reputation in the cotton trade. The Board of Managers of the Chinese Exchange is given the same power as that of any American cotton exchange, but its activity is more extensive than the Board of Managers of any American cotton exchange. In the Chinese Exchange, the work of the various standing committees is performed by the Board of Managers, assisted only by the paid employees. Each member of the Board also receives a salary from the Exchange.

Brokers and the Exchange

A third unique feature is the broker's relationship to the Exchange. In American exchanges, the brokers, being members of the Exchange, represent the exchange and are not apart from it. In the Chinese Exchange, the brokers are subject to the control of the Exchange, and the by-laws and rules of the Brokers' Association—an organization composed exclusively of the brokers licensed by the Exchange and meantime not members of any other cotton exchange—must be approved by the Exchange before they can be put into effect. This rather comprehensive control of the brokers by the Exchange is justified on the ground that the Exchange, not the brokers, is the centre of administration, both in regard to internal and external affairs. On the other hand, the broker must, as a pledge of good faith, deposit a personal bond of $28,000 Shanghai currency with the Exchange, and in addition, must pay various kinds of margins on each contract bought or sold on the Exchange. In the Chinese Cotton Goods Exchange, there are altogether 80 brokers of whom 70 deal in raw cotton, cotton yarn and cotton cloth futures and 10 deal in cotton futures only. The number of brokers may be changed if requested by the Brokers' Association and approved by the Exchange.

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Government Regulation

The fourth unique feature is the relation of the government to the Exchange. For centuries the Chinese government exercised no control over Chinese industry and trade other than the collection of taxes for revenue purposes. This attitude of indifference would have been possible even today but for the growing complexity of Chinese national economic life in the modern industrial age. The introduction of new economic institutions, including banks, trusts, corporations, railroads, post offices, factories and a great many others, can no longer remain a subject of small concern to the government, for the conflict of social interests is here paramount. On the contrary, the government has manifested a desire to legislate far beyond its capacity to enforce. Many laws have thus been passed for the regulation of commercial associations, trademarks, factories, land ownership and tenure, the relationship between capital and labor; and the organized exchange is by no means an exception. In 1921, seven years after the passage of the first stock exchange law, a produce exchange law was adopted and put into effect. The law contains the following provisions that relate to the government regulation of the exchange.

1. Every produce exchange must be approved and licensed by the Ministry of Agriculture and Commerce. It must submit its constitution and by-laws to the Ministry for approval, as well as any subsequent amendment. If necessary in the opinion of the Ministry, the Ministry may request the exchange to revise its constitution and by-laws.
2. If the exchange commits any act that is unlawful, contrary to public welfare, or opposed to peace or order, the Ministry may take any of the following actions:

(a.) to dissolve the exchange;

(b.) to stop the transaction of business on the exchange;

(c.) to stop or prohibit the transaction of a part of business on the exchange;

(d.) to demand the resignation of the officers of the exchange;

(e.) to stop the broker's right to transact business on the exchange or cause him to be expelled from the exchange.

3. If necessary in the opinion of the Ministry of Agriculture and Commerce, the Ministry may appoint at any time an inspector or inspectors to examine the business transactions, books and property of the exchange, as well as the books of the broker or brokers.
4. The exchange must, before the formal opening of its business, deposit with a depositary approved by the Ministry of Agriculture and Commerce a business bond amounting to one third of its capital investment. It shall pay a license fee of $500 Shanghai currency, and shall, after each annual closing of accounts, pay five percent of its profit as a produce exchange tax, to the Ministry.

The Chinese produce exchange law gives the government, through the Ministry of Agriculture and Commerce, comprehensive control over the affairs of the exchange—control that neither American nor English exchange has been required to acknowledge. The United States Cotton Futures Act, for example, does not possess any of the powers cited above; instead, it deals with subjects that are more technical than jurisdictional. It touches upon such questions as official standards and spot quotations in fixing differences. In one case, the policy of the government has long been that of *laissez-faire*; in the other, intervention has become the guiding principle. The divergence in policy, however, is partly to be explained by the fact that American or English exchanges have behind them a wealth of past experience for the conduct of exchange business on a sound economic basis. The Chinese exchange, on the other hand, is still undergoing a period of trial as a marketing institution. Her lack of trained leadership, as well as of experienced counsel, necessitate the government's active regulation in order to assure the conservative operation of the exchange.

The Chinese Cotton Futures Contract

The above description is sufficient for an understanding of the leading features of the Chinese Cotton Goods Exchange. A few words remain to be said on its actual operation, with particular reference to the nature of the Chinese cotton futures contract. As has been mentioned above, the Exchange, in addition to a small spot business, deals in futures in raw cotton, cotton yarn and cotton cloth. In raw cotton, the unit of trading per contract is 100 piculs (one picul being equivalent to 133 ⅓ lbs.), as contrasted with 100 bales of 500 lbs. each in America. The cotton bought or sold is confined to the Chinese growth, of which Hankow cotton commonly though wrongly called Shensi cotton on the market is chosen as the basis grade. The value difference between the basis grade and other grades tenderable on the contract is fixed periodically by the Inspection Committee, which is composed of ten persons experienced and well known to the cotton trade, and appointed by the Board of Managers. Trading for the current month and the subsequent five months only is permitted; and margins, in addition to the personal bond required of every broker before his admission to the Exchange, must be paid by both parties to the contract. Margins are of several kinds, of which the original and variation margins are the same as under an American contract. Besides the original and variation margins, special and prepaid margins are also required under the Chinese futures contract. A special margin is required of the brokers whenever there are unusual price fluctuations and other market circumstances, or when the Exchange shall deem it necessary. A prepaid margin is a margin paid before a contract is bought or sold, and serves as an additional safeguard against loss that might arise through the default of contract by either or both brokers under highly speculative conditions. All these margins, except special or prepaid, can be paid in substitutes other than cash or certified check, which is not the practice on the American exchange. These substitutes, in general, include securities or other negotiable documents. The contract settlement, as well as the margin payment, take place daily, and are handled through the accounting department of the Exchange, which is a prototype of the American clearing house. The day preceding the last business day of the month is the only day when the delivery of cotton on contract is permitted, a practice differing considerably from the American custom of issuing five days' delivery notice previous to actual delivery. In case of a default, the contract is settled at the delivery price, with the payment of a penalty of about ten percent to the broker not violating the contract. Any controversy or dispute between the brokers or between the broker and his customer is settled by the Arbitration Committee at the request of the parties involved. The Committee is composed of three persons to be selected and appointed by the Exchange from the Exchange officers, committee members of the Brokers' Association and the Inspection Committee.

The Exchange's Investigation Commission

This brief survey of the Chinese Cotton Goods Exchange will be incomplete without a word on the World Cotton Exchanges Investigation Commission recently appointed and financed by the Exchange. The Commission, whose primary object is to study the organization, activity and technique of the world's leading cotton exchanges, as well as their regulation and control by the government, is composed of three members: Mr. L. S. Woo, the former vice-president of the Exchange, Mr. Y. A. Woo, the present vice-president of the Exchange, and the present writer. The appointment of the Commission is an encouraging sign of the growing consciousness of the Chinese business men as to the value of comparative research in general, and in particular, of the increasing importance of mutual co-operation and enlightenment among the world's leading cotton exchanges. It must also be attributed to the far-sighted policy of Mr. H. Y. Moh, the founder and President of the Exchange ever since its establishment in 1922.

Yale University, New Haven, Conn, August 10, 1928.

Rev, W. Luccock Becomes Pastor of Community Church

The Rev. W. Luccock arrived in Shanghai end of last week to assume the pastorship of Community Church. Both Mr. and Mrs. Luccock, who were accompanied by their three children received a hearty welcome.

Mr. Luccock received his B. A. degree from Wabash College and his B. D. degree from McCormick Theological Seminary, undertaking also some graduate work at Northwestern University. He is a member of the Phi Beta Kappa honor fraternity. For two years past he has served as associate pastor of the First Presbyterian Church of Oak Park, Ill. During 1921-22 while engaged in language study at Nanking, he taught a course in Religious Education at the University of Nanking. In 1923-1924 he was in charge of the Community Guild in the Presbyterian Church at Siangtan, Hunan. Afterwards he served as General Secretary of the Nantao Christian Institute in Shanghai.

Mrs. Luccock is a graduate of Mechanics Institute in the Home Economics Course. She later taught in recommendation Institute and then served as dietician at the Rochester Open Air School. From 1916 to 1919 she served as Field Secretary for the Women's Foreign Missionary Society of the Methodist Episcopal Church and came to China under that Board in 1920, transfering to the Presbyterian Board on her marriage to Mr. Luccock in 1922.

Japan, Britain, America and China

BY INAHARA KATSUJI

(This is a translation of an article by Inahara Katsuji which appeared originally in the Japan Diplomatic Review, but is reprinted here from the Japan Chronicle of Kobe, Japan.)

Japan's China, or rather Manchurian, policy, is evidently experiencing a serious trial. Her advice to Mr. Chang Hsueh-liang, given on July 19th, was formally a private suggestion of a Consul-General; but as the private suggestion has been indorsed by the Government and expressly declared to be the keynote of Japan's activities in Manchuria, it is no exaggeration to say that the success of Japan's China policy, or at least the Tanaka Ministry's Manchurian policy, depends on the fate of the advice. There was nothing to prevent Japan from declaring openly and without any disguise that she could not welcome the entrance into Manchuria of an influence so regardless of treaty obligations as the Southern Government. Nor was it absolutely necessary that such declaration should take the form of advice to Mr. Chang. The advice to Mr. Chang really not being meant for Mr. Chang, but against the South, it would have been more logical and consistent for the Japanese Government to make a suggestion of the same import to the South in the first instance and proceed to a second measure on the suggestion being disregarded. As it was, it adopted the irregular line of trying to control the South through Mukden and is consequently suffering from unnecessary complications of its own creation.

A Camouflage

The authorities explain that they simply could not act in the way suggested by us since Japan had come to a deadlock with the Southern Government over the Tsinan affair. In our view, however, this is an entirely unsatisfactory explanation. The Tsinan affair is certainly important, but it can bear no comparison in point of importance with the declaration of the Southern Government for the repudiation of treaties and its bearings on Manchuria. If a greater good is to be served at the expense of a smaller good, as the proverb teaches, the Japanese Government should have boldly tackled the more important question of the two instead of allowing the lesser question to hamper its actions. By reversing the obvious order it is impeding the solution of both questions. The incomprehensible explanation can be comprehended only by supposing that the Tanaka Ministry is taking advantage of the unfortunate Tsinan affair in order to camouflage its pro-Mukden policy, when it pleads that so long as that affair is not settled it cannot take up other matters with the Southern Government.

Dragged By Chang Tso-lin

From Japan's standpoint, or from the standpoint of a China policy of which Manchuria is the pivot, it is both advantageous and consistent to make and keep Manchuria a special zone with a man at its head, who will always be contented with being the ruler of Manchuria only. The Japanese authorities made a mistake in losing sight of the safe policy and allowing Chang Tso-lin to slip outside Shanghaikwan. When the Hara Ministry, under the pressure of the Powers, declared itself for a policy of non-interference, it ought to have announced to Chang Tso-lin that Manchuria was an exception, thereby making it clear that while Japan would cease to interfere in China proper, she was resolved to withstand the encroachment of China proper upon Manchuria. If this omission on the part of the Hara Ministry had been supplemented by the succeeding Japanese Government, it would have been practicable to obviate Chang's advance upon China proper. As it was, Japan allowed herself to be led by Chang and dragged along by his ambition in the alluring but delusive hope that by so doing it might be possible to gain power over the whole of China; and instead of taking him back by the hand to Mukden, she backed him up and enabled him to enter Peking. At this moment Japan's Manchurian policy struck a sunken rock. After Chang was allowed to advance to Peking, his enemy, the Southern troops, could not be consistently forbidden to enter Manchuria. If the South had sufficient force to pursue the Mukden army over Shanghaikwan, it would have involved Japan in serious trouble. For the maintenance of peace and order in Manchuria, which she declared she would protect at all costs, Japan would have had to disarm the Southern troops, marching inside the Manchurian barrier and an exceedingly awkward general fight would have ensued between the Japanese and the Southern troops, as the latter were not to be expected to come in one by one like oxen led into the slaughter-house. Such a war would have raised international outcries against Japan for her supposed attempt to annex Manchuria. Fortunately, however, the Southern army had not sufficient surplus force to pursue the Mukden troops to Shanhaikwan, and attempted to achieve a unification with Mukden by compromise. Japan was thus relieved of the imminent danger of coming to blows with the South. All the same it is not to the credit of the authorities to have involved the nation in so serious a danger.

Foolish Advice

The danger had hardly passed when it was succeeded by equally dangerous advice to Chang Hsueh-liang on July 9th, for it was, in fact, an anti-Southern act having the same import as a notice posted against the South with the inscription "No Admittance to Manchuria." Reinforced as it was by repeated threats of strong action and the dispatch of Baron Fujimura and Baron Hayashi to Manchuria, it was not such advice as Chang could be left to take or not to take just as he liked. The problem is, how is the Japanese Government going to lower its arm, raised in the attitude of striking a blow? There will be no less difficuly even if the advice is taken for a time to be disregarded in the end. We hope the advice will have results calculated to add to Japan's credit, and prestige, but we regret to descry not a speck of cloud on the horizon appearing to promise the fulfilment of our fervent wish. Another question to be considered in this connection is: Is Chang gratefully impressed by Japan's policy in his favor? Unless we are mistaken, he may be grateful for the Japanese advice, but it will be a serious mistake to believe that it is because he places his faith and reliance on Japan. If he feels grateful for the advice it is because he calculates that it will serve to procure favorable terms for him in his negotiations for compromise with the South. Japan's advice to Chang is thus certainly favorable to Chang, but in a sense entirely different from that intended by Japan. It was rather a foolish action.

Unequal Treaties Most Necessary Treaties

It would be well if we could dismiss it with this comment; but on the same day as the advice to Chang the Southern Government gave notice of abrogation of treaties, while the exposure of Japan's pro-Chang policy was taken advantage of by America and Britain, the former hurriedly concluding a new treaty with the South and the latter settling the Nanking affair and showing herself ready to go farther. Hemmed in by these occurrences, Japan's relations with China are not in a very reassuring predicament. It is hardly necessary to argue that the abrogation of treaties by the Southern Government is unreasonable. However unsatisfactory treaties may be they cannot be scrapped by mere notice without putting international relations out of the question. China cannot consistently want to keep up relations with the Powers while abrogating her treaties in so abrupt and arbitrary a manner, any more than Soviet Russia could repudiate all the treaties and debts contracted in the Tsarist regime and hope to remain in relations with the Powers. According to the Southern Government the existing treaties are unequal, and really friendly relations cannot exist under unequal treaties. But so far from unequal relations being a bar to treaties, there is all the greater need of making them binding by treaties when relations are unequal. Besides, whether a treaty is equal or unequal, it is a hard historical fact which there is no going round. If it is to be revised with a friend for the other party, it should be set about in a friendly manner instead of by so uncompromising and violent a method as down right abrogation by means of a public Note which can be answered only by an equally uncompromising public Note. When it comes to a duel of public Notes, neither party can afford to be beaten and lose face, so that it will profit neither party and prejudice both. Nothing can be more foolish than such a course. It is therefore advisable that China and Japan should realise the folly of the course they are pursuing and endeavor to find out points of agreement in order to obviate the losses they are likely to sustain through the practical termination of treaty relations.

Wayward American Diplomacy

But nobody can have failed to perceive that the wayward diplomacy of the Southern Government is to be accounted for, partly at least, by the waywardness of American diplomacy. Even without the aid of American diplomacy, it is true, the South would have declared the abrogation of the unequal treaties according to its previous public pledge; but it is undeniable that the American action played a large part in having China make up her mind so soon. By the American action we mean America's announcement on July 25th that she was prepared to revise her treaty with China in order to restore tariff autonomy to China, which was followed at an interval of two days by the publication of a new American-Chinese treaty recognising that autonomy. That China's announcement of treaty abrogation predated the event by a week does not in any way invalidate the surmise that the abrogation of treaties was expedited by the American attitude, for it is quite reasonable to suppose that in order that a new treaty might be signed on the 25th and published on the 27th, negotiations must have been going on from before the 19th July, the date of China's notice

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RAISIN PIE

1 pound seedless raisins
1½ cups sugar
¼ inch cube of ginger
1 pint water
Juice of 1 lemon
Grated rind of half lemon
Pie Crust
Tapioca for thickening, if desired

Let the raisins stand in the water for half an hour, then simmer with the lemonrind and ginger, sugar and a few grains of salt, until they are perfectly tender and the resulting syrup is rich, then add the lemon juice and a tablespoon of tapioca, and allow to cook until the tapioca is tender and clear. In the meantime, line a pie plate with pie crust, cool the sauce, dust the lower crust lightly with flour, pour in the raisin mixture, cover with a whole crust or with criss-cross strips, and bake from 25 to 30 minutes in a moderate oven.

Raisin Tarts are made in the same way, only the mixture is poured into small pastry shells and covered with criss-cross strips of pastry or the top may be left open.

Sun-Maid Raisin Growers' Association

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of abrogation of treaties. But by allowing herself to be infected with America's wayward diplomacy, the Southern Government committed a serious mistake, since the new treaty America gave China is not immediately binding on America, conditioned as its operation is on the recognition of the same principle of tariff autonomy by the Powers. If America was really mindful of China's sovereign rights, she should not only have recognised tariff autonomy for China, but readily agreed to the abolition of extraterritoriality in China. But when Mr. Wang Cheng-ting, erroneously reading America's mind, requested her to consider the question of extraterritoriality as well, he was peremptorily told by Mr. Kellogg that all that was in question was tariff autonomy and that the abolition of extraterritoriality was quite out of the question. The fact is that by giving the sound of a new treaty, America wanted to make up for her belatedness in joining in the struggle for Chinese concessions. She wanted to injure others in the eyes of China by creating delusive equality instead of really abolishing inequality. But this is not the only instance of American waywardness; and everybody must be dipleased with America's ways though fortunately or unfortunately America is so strong that none dare openly attack her. She organised the Six Powers Consortium, but only to withdraw from it when it was found not to suit her. At her convenience again, she organised the Quadruple Consortium in place of the original one. She took the lead in forming the League of Nations but ended by giving a kick at it. For the convenience of her domestic politics she has promoted disarmament conferences and a anti-war treaty to cause meaningless and useless trouble to others. If there is an international ruffian you can do nothing with, it is the United States.

The Washington Conference a Failure

The American attitude towards China is, in a word, overhurried. It was only after the occupation of the Philippines in 1898 that America seriously began to pay attention to China. Not content with concessions of the nature of mere leavings of others which fell properly to her lot, she must needs brush aside the earlier arrivals and replace them herself. John Hay's principle of the open door and equal opportunity was a device intended to serve this end. But so far all her attempts in this direction have been failures—a remark which applies to the Washington Conference as well. In a sense, the Washington Conference, so far from being a failure as America's step towards the encroachment upon China, was an extraordinary success, and the Americans were justified in being elated at the achievements of the conference which included the undoing of the Anglo-Japanese Alliance which stood in the way of America's intended advance upon Manchuria, the strangulation of the Ishii-Lansing Agreement which had proved a trap of America's own setting in which she herself was caught, the establishment of Root's four principles which is another name for the principle of the open door and equal opportunity, the defining of the term China as including Manchuria, making Japan abandon her claim for priority in regard to railway and other loans in Manchuria and Mongolia and advisers, the participation of America in Japan's rights relating to land and residence in Manchuria and Mongolia. But what is easily gained at the Washington Conference were no exceptions. They have proved empty rights on paper. The abolition of the Ishii-Lansing Agreement has not weakened the intimate relations actually subsisting between Japan and Manchuria and Mongolia. The cessation of the Anglo-Japanese Alliance has not prevented the two nations from co-operating from time to time and from place to place; and so on with other items which have all turned out nominal gains. Under these circumstances it is not unnatural that America cannot remain contented with her position; so in leaping to the aid of the South just at a time when Japan, more her enemy than Britain, Russia, France or any other country, was wavering between the South and North, and trying to seize the leading position in China, America was only acting according to her traditional policy and for the realisation of the old principle of the open door and equal opportunity. In this light there is nothing strange in the rumor that America is meditating a loan to the Southern Government.

Britain

All this American attitude is not being favorably criticised in England; but there is no guarantee but Britain will adopt the attitude which she apparently condemns. The antipathy which her attitude at the Customs Conference in Peking in 1925 aroused in China was such that Britain thought it wise to change her policy very abruptly, and made two propositions highly calculated to conciliate China with a view to regaining her lost popularity, but only to be met with derision and scorn by China as well as the Powers. The Hankow affair that occurred on January 3rd, 1927, was in itself a simple affair, being a collision between a Chinese propaganda corps and a British naval brigade, in which a Chinese coolie was shot dead and several were wounded. It was so insignificant that under normal circumstances it would have passed away without causing any trouble. But Britain was then very unpopular and was so overawed by the Chinese uproar that she humbly gave in and agreed to return her concessions at Hankow and Kiukiang to the surprise of all the world. Never had a Chinese life been sold so dearly as on that occasion. In explanation of the British attitude, Mr. Chamberlain stated that the position now held by the Powers in China was antiquated in every instance—an explanation which rather savors of sour grapes, inasmuch as we have not yet heard of Britain having restored Weihaiwei to China despite her promise to do so given at the Washington Conference, to say nothing of Hongkong and Tibet. Be that as it may, it is an indisputable fact that Britain's attitude towards China has been extremely softened down since the Customs Conference. It is also Britain who, while heartily approving of Japan's expedition to Shantung openly, has been secretly cudgelling her brains to know how to make use of the effects of the measure to her own advantage. So complex is the British character. The settlement of the Nanking affair is intrinsically not very important, but it assumes a special importance in that it is intended to make the way smooth for treaty revision for it is reported that the terms of settlement includes the stipulation that as regards the treaty revision desired by China, Britain is prepared to carry out the work on an extensive scale on the basis of Chamberlain's statement in December 1926, which was published five months after the close of the Customs Conference, being the first of the two propositions already referred to and by which Britain offered to go to extremes to meet China's wishes in order to counter act the popularity gained by Japan at that conference. In this way Britain has put herself in a position which does not admit of her falling back, whatever grain of sincerity there was originally in the propositions. In short, she is prepared to make even greater concessions than America towards the South, and to counteract the advantage gained by America by stealing a march upon her. Who can say but Britain will offer to carry out at once concessions which America has granted by way of a post-dated cheque?

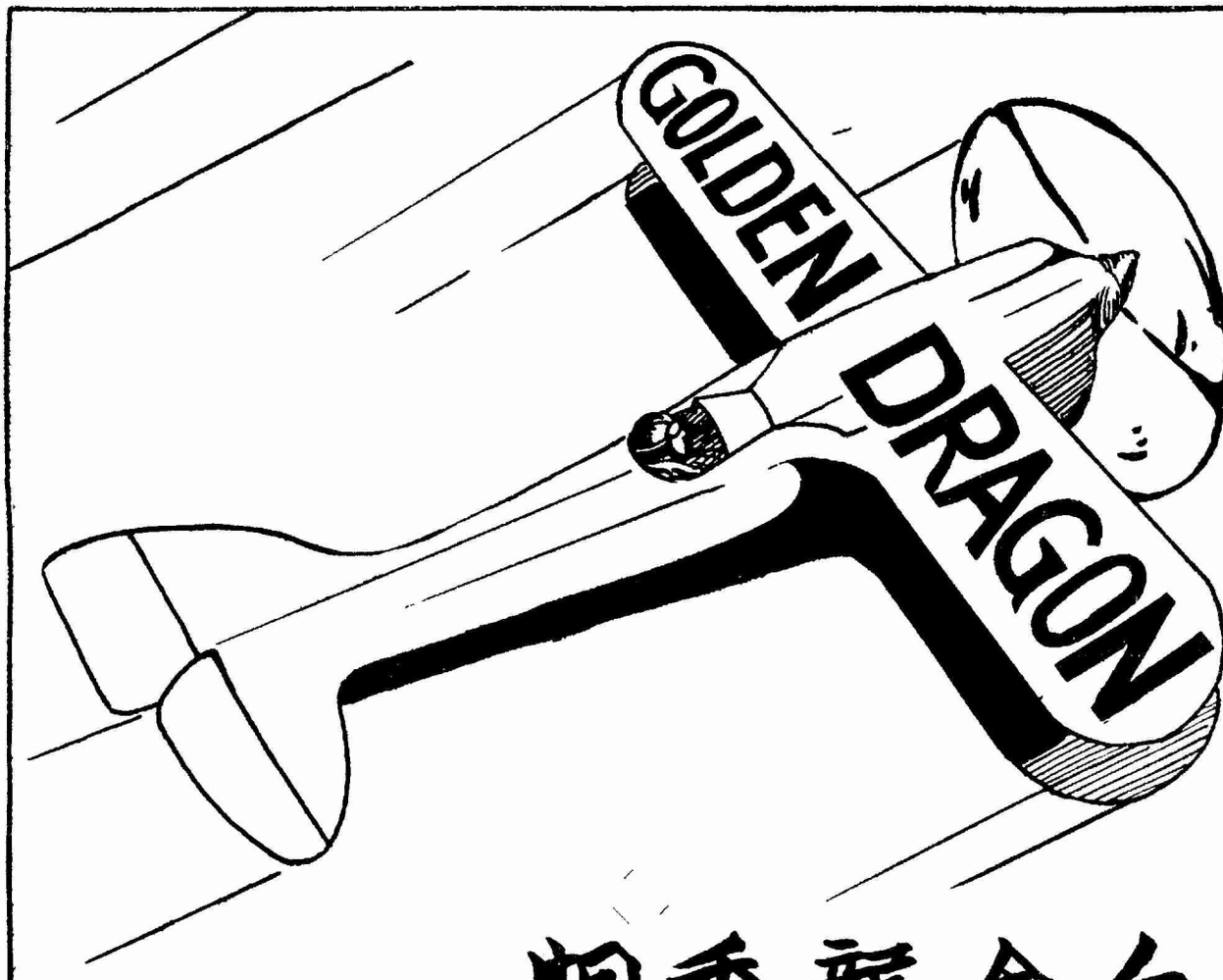
Lawyers and Politicians

In a word, both Britain and America are intently occupied with trying and winning the good-will of the South with a view to acquiring fresh concessions or safeguarding the old ones, whereas Japan is facing the South with a stiff attitude on the strength of treaty rights and playing with a policy of doubtful prospects through Chang Hsueh-liang. In the development and complication of these two factors lies the backbone of the China problem. From a common sense point of view, it does not seem a line of action that promises much practical good to sit tight on treaty rights when not only America but even Britain is pledged to the entirely opposite course, however correct it may be theoretically. In international politics, as in common life, success does not always crown a party who takes his stand on his own righteousness regardless of all other considerations. It is the business of lawyers, and not of politicians, to uphold justice for its own sake. If Japan fails in this instance, it will be thanks to the excessive importance attached to law and lawyers in her politics.

Moore Bennett Praises Roman Catholic Missionaries in China

The *Catholic Sentinel*, which is the official organ of the Roman Catholic diocese of Oregon City, Oregon, in a recent issue called attention to a tribute given to the self-sacrifice of Catholic missionaries in the Orient in a recent number of the *Atlantic Monthly*. The author, Moore Bennett, writing from an experience of 25 years in China during which he lived in every one of the 18 provinces of that country, though not a Catholic, records the deep impression made upon him by Catholic missionaries on account of their educational qualifications, their singleminded devotion to their self-imposed tasks and their sympathetic understanding of the Chinese people. Mr. Bennett among other things wrote:

"When Pere Robert, that great and powerful head of the Missions Etrangeres, was in Hongkong controlling the great network of mission stations spread throughout southern China, he was very content to live in a single room not twelve feet on a side, barefloored, with furniture of the scantiest, taking his meals with the other priests and lay brethren on a clothless table spread with the simplest of Chinese foods such as the common people live upon. And yet the father at that time controlled millions of dollars' worth of property, land in all the great provincial cities, fields by the hundred acres in a block scattered through the south; and always throughout his working life, with the other priests of his mission, he was up and at work long before 6 a. m. both summer and winter. The Catholics own land, till and sow, reap and gather, and make wine, but they do these things for the missions and not for their individual comfort or aggrandizement.



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Dr. Wu Explains China's Government Plans

The following from the New York Times for August 20 is a report of an address which Dr. C. C. Wu delivered before the Williamstown Institute on August 19)

Willimstown, Mass., Dr. C. C. Wu, former Foreign Minister of the Chinese Nationalist Government and now its special envoy to the United States, at the Institute of Politics today denied that the economic principle of the Kuomintang (Nationalist Party) was Communistic. The belief that it was communistic, he asserted, was due to ignorance and suspicion.

Dr. Wu pointed out that the late Dr. Sun Yat-sen, founder of the Nationalist movement in China, had repeatedly in public opposed many of the basic theories of Karl Marx, such as "the materialistic conception of history, surplus value and class struggle," and had described Marx as "a social pathologist and not a social physiologist."

Realizing that foreign capital and expert knowledge were necessary in the reconstruction of China, Dr. Wu went on the Kuomintang was glad to welcome foreign enterprises, provided they came "without ulterior motives."

"We believe in no dog-in-the-manger policy," he added.

China Will Fight Exploitation

But the Chinese would not permit foreign capital to dominate their country politically or to exploit its natural resources ruthlessly, he continued.

"If a few millions lent for building a railway means the control of the railway and of the establishment of a sphere influence over the region through which that railway passes, then we are hostile to such a foreign investment," he went on.

"If, as the consideration for a small loan, a mining company is made to agree that its products be exported to a foreign country at a figure below the market rate, and to continue to do so for a long term of years so that the company is always on the verge of bankruptcy, while its mine is worked feverishly day and night to export ore in accordance with the agreement, then we are hostile to such a foreign loan."

Dr. Wu showed himself inclined to some form of State socialism in regulating capital and controlling railways and other public utilities. Conditions in China justified State ownership and operation of railways, he explained, because of the enormous influence exerted by the railway Chinese public affairs as a result of the difficulty of communication in the vast and backward country.

"That influence should not get into private, much less foreign, hands," he added.

Referring to the abuses of private ownership of monopolies, he went on:

"We believe that much of the trouble between capital and labor in many countries is due to this cause, and that is one of the chief reasons for the existence of communism. By the regulation of capital we hope to avoid some of the pitfalls and profit by the experience of Western countries."

Will Evolve Own Culture

Dr. Wu said that the Nationalists did not intend, in spite of some criticism to the contrary, "to blindly adopt Western institutions without regard to their suitability to Chinese conditions." The aim, he explained, was to retain "the best in our old civilization and culture," to adopt such Western methods as would fit Chinese conditions, and thus to make China "a modern nation politically, socially and economically."

He expressed confidence in the success of this program, "because we have no other wish than the welfare of the people and we believe we have the sympathy and support of the nation."

Nevertheless, he went on, the Nationalists realized "the tremendous difficulty in preparing the Chinese people for the exercise of the rights and functions of modern democracy."

Sun Yat-sen saw this difficulty in the program for a constitutional democracy which he mapped out years ago in three stages. The first step was military, including the employment of force to sweep out the elements of reaction and corruption hostile to the revolution, and was now completed. The second was one of political tutelage and was now under way. It called for the education of the Chinese people, Dr. Wu continued, to fit them for the assumption of their rights and duties,

"When sufficient progress has been made along these lines," he said, "the third period will have been reached of full constitutional government."

Predicts Consummation Soon

He saw no reason why China should not reach the third stage "in a surprisingly short time and become in the fullest sense a modern democratic State."

To show how the Nationalists were trying to reconcile the old and the new in modernizing China, Dr. Wu described two ancient institutions which the Nationalist Party was adapting to present conditions, the Board of Examiners and the Board of Censors.

The Board of Examiners, he explained, had existed in China for centuries and was comparable to the American civil service system of selecting public servants. It went much further, however, and candidates for public offices submitted to a number of severe tests. It had not been effective in late years, he said, but the Kuomintang intended to revive it.

"Based entirely on merit and eliminating favoritism and nepotism," he went on, "it should secure for the public service the best brains of the country. It would also do away with the evils of too many elections, particularly for non-political offices."

He explained that the duty of the Board of Censors would be to supervise and report on the conduct of all Government officials. The board would be the modern counterpart of ancient Chinese officials who were empowered to "impeach before the Emperor" any officer, no matter how highly placed or how powerful, who was "corrupt, incompetent or neglectful in the performance of his duties."

Dr. Wu said the Nationalist Party in time intended to introduce universal suffrage "irrespective of qualifications of property or distinctions of sex," and the rights of initiative and referendum and dismissal of public servants.

Huenefeld Airplane Presented to New York Museum

The airplane in which Baron von Huenefeld, Captain Koehl and Major Fitzmaurice flew from Ireland to the United States, has been presented to the Museum of the City of New York according to a Berlin dispatch which appeared in the *New York Times* on August 13. Baron von Huenefeld, according to recent report, is now flying from Germany to China and will be here shortly.

In a letter to the American Ambassador, Dr. Jacob Gould Schurman in Berlin, the Baron explains that the gift is not alone from him but also from his comrades, Captain Koehl and Major Fitzmaurice, and from his friends who donated the funds that made the trip possible.

To show that the entire venture had not been a means of enriching himself but had been made in the hope of cementing good relations between Germany and America and furthering international relations generally, Baron von Huenefeld stated that he not only made no money through the dangerous undertaking but contracted a number of debts that his friends offered to pay.

One of the greatest benefits of the Bremen's flight, he said, is the confidence that America and other countries will have in the future in German workmanship, as shown by the performance of the Junkers plane and motor. The impartiality with which Americans of all origin and political views welcomed the fliers on their arrival and during their sojourn in the United States was one of the greatest surprises and joys that Baron von Huenefeld experienced in the whole venture.

"The hand stretched out to us" he writes "in pure enthusiasm and in warm, hearty feeling convinced us that the rift in friendship between the two nations separated by the ocean must never again occur. A bridge must be constructed capable of withstanding all storms."

To promote closer relations Baron von Huenefeld is presenting his machine to the museum of the City of New York so that coming generations may see how nations are bound together through new means of communication.

The Baron also expressed his pleasure at the reception to the Bremen crew at the White House and thanked Ambassador Schurman for his good offices.

Shanghai Exchange Market Dull During August

The foreign exchange index for the month of August, published by the Department of Social Affairs, Municipality of Greater Shanghai, shows that last month the local exchange market was extremely inactive due to dullness in the export trade. At the beginning of the month, while sterling and dollar transactions were few and far between, the Japanese yen underwent a sharp decline as a result of the sustained bearish selling on the part of Chinese speculators. The market however, soon reacted upon the conclusion of the new treaty, between China and the United States.

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"New China Edition"

The magazine will contain articles concerning the history of Nationalism in China; the question of treaty readjustment, building and reconstruction projects which the Nationalist leaders contemplate; the progress of industry, finance and commerce, with suggested plans for further improvements; an analysis of foreign trade; discussions of imports and exports, with indications for the future, and a number of articles, written by prominent foreign and Chinese business men, urging the necessity and means of accomplishing better understanding and cooperation in the realization of a "greater China." Among the contributing authors will be:

T. V. Soong	P. T. Chen	Wm. Z. L. Sung	Dr. Chen Kung-po
Dr. C. C. Wu	Julian Arnold	C. B. Kwei	C. P. Ling
Dr. C. T. Wang	Hin Wong	Louise Wilson	Liang Yung-li
Dr. H. H. Kung	Samuel H. Chang	Y. T. Wu	C. W. Y. Meng
B. Y. Lee	E. K. Moy	Chang Tuh-yin	Paul K. Whang
C. Walter Young	R. T. Hsiang	D. K. Lieu	Paul C. Hou
George F. Shecklen	Lee K. T. Yen	N. F. Allman	S. H. Tan

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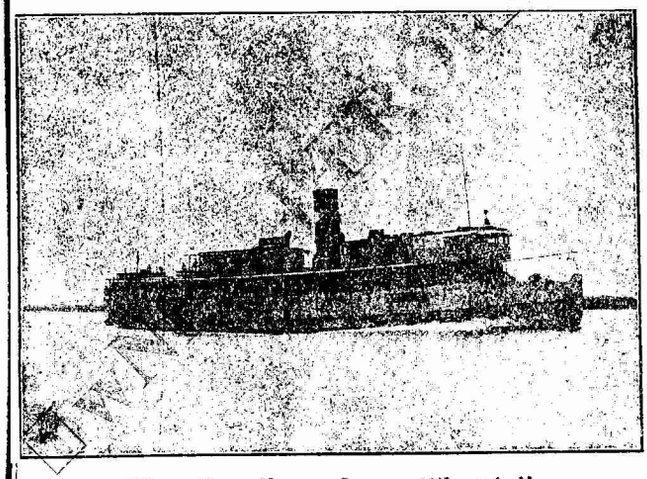

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THE STUDENT MOVEMENT AND CHINESE EDUCATION

(Continued from page 146)

(1906); free half-day schools were organized for the poor (1905); elementary schools were organized for girls (1907); character-learning schools were organized for illiterate adults; education was made compulsory and girls were allowed to study with boys in the elementary schools. It need only be remarked that the regulation concerning compulsory education is very flexible and that during troubled times no serious attempt was made to enforce it.

The System of 1912 gave equal educational opportunities to boys and girls; reduced the years of middle school study to four; and raised the standard of the higher professional and technical schools.

All these systems were tried and found wanting, with the result that, after a great deal of discussion and delay, the Seventh Conference of the National Federation of Provincial Educational Associations submitted proposals which were adopted. This System of 1921 was designed to foster the spirit of democratic education; to care for the individual development; to plan for the popularization of education; and to provide flexible changes to suit different local needs and conditions. An examination of the plan itself shows the growing recognition of the need of great flexibility owing to the largeness of the country and its regional differences; the organization of secondary and higher grade schools on the basis of departmentalization, and of elementary schools on the basis of flexible promotion; increased provision for vocational schools; the organization of the university on the basis of four or six years according to its situation; the tendency to establish teachers' training institutes.

The Nationalists System

The greatest change of all, however, has just been effected, the adoption of the Nationalists' System, already referred to. The structure of this system, now effective in the provinces under the jurisdiction of the Nationalists, is so well summarized by Dr. Ch'eng Ch'i-pao that I shall not try to paraphrase or condense what he has written.

(a) A national university is to be established in Nanking. It will assume the double function of both administration and education. It maintains, on the one hand, a secretariat to supervise the general administration of public education, and, on the other, a bureau of education for the advancement of scholarship and the promotion of research, in addition to a number of more advanced research institutions for the development of arts and sciences.

(b) The provinces are to be divided into university districts, each district maintaining a university. All district universities will assume the name of Chung Shan University in honor of Dr. Sun Yat-sen, but numbered according to the order of organization. Thus Chung Shan University in Canton is numbered the first.... Each of these universities also has a double function to perform. Administratively, it has the oversight of all the bureaus of education in the different districts and of all the middle schools in the province; academically, it is a university in itself supporting as many different colleges as local conditions warrant. In the Fourth Chung Shan University at Nanking, for example, are included ten colleges—Arts, Philosophy, Natural Sciences, Commerce, Agriculture, Medicine, Education, and Fine Arts, the last mentioned being still unorganised.

Impotent Judgments

Apart from the mere structure of the organization of this educational system should be mentioned certain outstanding characteristics which stand for the very latest developments in Chinese educational thought. In the first place, research is emphasized as never before, free research—for college and university graduates or for students who have the equivalent training of such graduates. Mr. Tsai Yuen-pei has flatly stated: "The university is not merely intended to offer ready-made courses for students to attend at fixed hours, but primarily for corporate work in scientific research. And by research, I mean not merely the introduction of European culture, but original contributions on the basis of what is already done in the West; nor merely the preservation of our national cultural heritage, but seeking by means of methods of scientific research to show what that heritage has actually been." In the second place, it is becoming more clearly recognized that Chinese women are capable of doing high standard work. Most universities are now co-educational, and many institutions for women have been established. In the third place, there is an insistence on academic freedom that has never been so definitely exhibited before. Dr. Ch'eng writes: "Government intervention has always been resented and repelled by the higher schools in China. Two years ago, when the Ministry of Education in Peking attempted to draft a new set of regulations for the universities and colleges, it

met with such strenuous opposition from the college men that they had to be withdrawn. The present National University and other district universities established under the Nationalist government have as their avowed purpose the object of free research and study."

Observing carefully the various changes which the higher authorities in education have from time to time proposed or brought about, we easily catch sight of the various influences which have rendered the personal judgments of the would-be arbitors more or less impotent. Administrative connections between the various schools are usually not opposed. Students are not so interested in the architecture of education as in the methods and benefits of education. When questions of academic freedom (involving speech, publication, student organization, student self-government, elective courses, etc.), tuition, co-education, standards, democracy, popular education, research, nationality of teachers and such questions are involved, the student influence has often been over-powering and has often resulted in modifications or complete revisions. When students have demanded control of tuition fees, for example, the result has not been the granting of the demand, necessarily, but the reduction or abolition of the fees. We have already seen that "when the Ministry of Education in Peking attempted to draft a new set of rules for the universities and colleges, it met with such opposition from the college men that they had to be withdrawn". From all this, it is clear that the relation of the higher educational authorities must be, to say the least, considerably more democratic, vastly more aware of a forceful student will, than ever before.

To complete this summary of the trend of education, I should call attention to a few other phases of educational life. I should mention, first, the vocational and teachers' training schools (normal schools), which are receiving more attention than formerly. The new curricula of these schools show flexibility and variety to allow for different conditions in the different parts of China; emphasis on professional subjects; greater consideration for the better training of teachers; time for practise teaching; emphasis on teaching material and upon teaching methods. Students in normal schools need not pay tuition fees, if they serve as teachers in elementary or secondary schools; if they do not so serve, a small fee is charged. Then, I should mention the Rural School Movement, which has but lately been promulgated by The National Association for the Advancement of Education. The problems of this movement are being studied by Mr. W. T. Tao, near Nanking, who will soon present a general program for general adoption. Other organizations, more local in character, are interested along these lines. In addition to these various organizations are National Language schools, developing the new vernacular language ideals of Dr. Hu Shih; people's schools and people's reading circles, particularly under the guidance of the National Association for the Advancement of Mass Education, in Peking: and, finally, the mission schools, which should be given special consideration. I shall only say, however, that almost without exception the mission schools have bent to the pressure applied to them. It is generally agreed that the presidents and majority of teachers should be Chinese; that the form and spirit of college life should be Chinese; that religion should be an elective subject; that chapel attendance should be optional; that there should be no conflict with the Government establishments; that missionary education should be more socialized, liberalized, made more Chinese. It is widely believed that the government of China will eventually take over all of the mission schools.

The Future of China and the Student

I have come at last to the end of this very incomplete review. And as I reflect on this trend of education in China, as I have conceived it, I am tempted to draw a conventional but optimistic and splendid picture of the China of the future I hesitate, however, in the thought that in looking and longing for China's educational development and for the national prestige that shall ultimately accrue therefrom, we all have drawn such pictures. Yet, we should not look for immediate fulfillments. To bring to reality all the dreams that are revealed in the educational programs, time, patience, money energy, ideals (the old prerequisites to all development)—all must be laboriously accumulated. We are confident, however, that all these prerequisites are available; we feel that Chinese determination has made them available.

Much depends upon the student; but we need not look upon him askance. The older student, particularly, has of late displayed an appreciation of education both as a means to political and governmental security and to personal advancement; although I must admit that in my own students I seldom find traces of selfish ambition. The older student senses the fact of international obligations and international power; he knows that China, like Japan, must watch and wait; but he knows also that he must work hard and in high confidence in the interim.

Shanghai College, Sept. 22, 1928.

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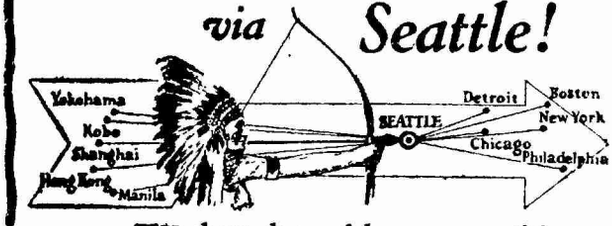

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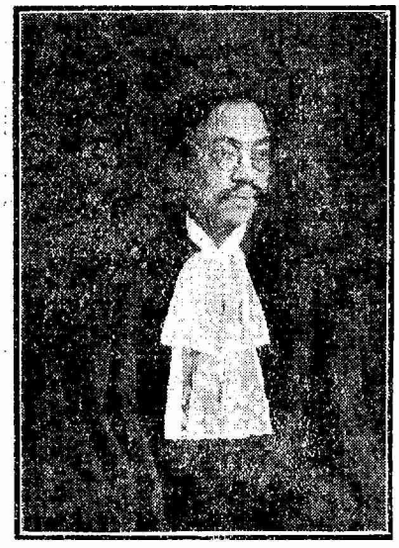
The Five Power Constitution

BY LIANG YUENG-LI

Alongside with the proverbial *San Min Chu I*, or the Three Principles of the People, the Five Power Constitution forms one of the most notable legacies bequeathed to us by our revered Father of the Republic, Dr. Sun Yat-sen. While not a little has been written by the contemporary writers expounding the fundamentals and operation of the Three Principles of the People, as yet no writer has fully developed the underlying principles and the workability of the Five Power Constitution save a passing mention by Dr. C. C. Wu in his widely read article on "What is the Kuomintang" (*The China Weekly Review*, September 25, 1926) and a brief review of a lecture by Dr. Sun on this subject from the pen of Dr. S. C. Ho. (*The China Law Review*, Vol. I, No. 9). The Five Power Constitution, aside from being unanimously regarded by all Kuomintang as the only form of Constitution suitable to the needs of the Chinese people, has now acquired added importance for the reason that following the 5th Plenary Session of the Kuomintang Central Executive Committee a reorganisation of the present Nationalist Government has been decided upon, and such reorganisation is to be effected on no other lines than those formulated by Dr. Sun on the basis of the Five Power Constitution.



Dr. Wang Chung-hui, Minister of Justice and Once Acting Premier in the Peiping Government, Who Is Mentioned for the Post of Chairman of the Judiciary Council of the Nationalist Government.

What is the Five Power Constitution?

Students of western political science and history of political philosophy are apt to be bewildered at the bare mention of the term "Five Power Constitution". They will look in vain for its origin in the works of ancient political writers such as Aristotle, Cicero, Polybius and others, all of whom early recognised a three-fold division of governmental powers, or for its exposition in the works of modern political theorists such as Montesquieu, Blackstone, and the drafters of the historic Constitution of the United States of America, who either dwelt at length upon the separation of the three powers of the government or incorporated in no uncertain terms the principle of the separation of powers into the texture of an epoch-making document. They can indeed conceive of no other governmental powers apart from what are traditionally known as the Legislative, the Executive, and the Judiciary. So when Dr. Sun enunciated at Tokyo during the Tung Men Hui (the antecedent of the Kuomintang) days toward the close of the Tsing Dynasty, his theories about the Five Power Constitution, he was listened to by his auditors with an indifference often accompanied by dissenting voices. He seemed to be in the position of the theorist who has a hard time to make his way in an ignorant and ungrateful world. Bearing in mind, however, that a philosopher must face the loneliness of original work and that no one cuts new paths in company, Dr. Sun persisted in his teachings which he believed up to his last hour to be especially vital to the political life of the Chinese nation. He was convinced that the Five Power Constitution was the only political instrument which could really serve the needs of the Chinese people, combining as it does the orthodox triple division of powers in western political science and two other native-grown political systems which contributed no mean share towards the stability and relative efficiency of the Chinese government throughout its existence for scores of centuries.

By the Five Power Constitution, Dr. Sun meant a constitution based upon the division of Governmental powers into the legislative, the executive, and the judiciary, *plus* the powers of civil service examination and censorship. Let us examine the theoretical basis of this quintuple division.

The Basis of the Government

At the outset, let it be emphasized that Dr. Sun has not overlooked the recent development in modern political thought advocating that no government can be organised on the principle of the absolute and complete separation of the departments among which the legislative, the executive, and the judicialy functions are distributed. He agrees that while no department exercises all the power which upon a strict interpretation belongs to it, it nevertheless exercises the essential part of it. Upon this basis is his doctrine of the separation of powers founded. With this in mind we can start to enquire how Dr. Sun points out the defects of the triple division of governmental powers.

The Three Power Government as practised in most democracies in Europe and America is defective for two reasons, which are best seen when that system is placed side by side with the Five Power Government devised by Dr. Sun. First, in the government under the three Power system, the power of appointing officers of the government resides principally in the Executive Department. The appointment is based either on recommendation or on election. The defects of the recommendation method are obvious. Likewise, to recruit officers through suffrage is also unsatisfactory. The reason is, both of these methods have to do with personal predilections. Even in countries where the civil service examination is provided for, it is held under the auspices of the Executive Department and therefore liable to be affected by politics, making it difficult or even impossible for the examinations to be conducted in an independent manner. Dr. Sun holds the opinion that the examinations for the recruiting of governmental officers must be conducted by an independent department, while the power of checking the competency of officials while in office may be retained by the Executive Department. In this way a sort of check and balance is formed, as the officers appointed by the Examination Department after success at the examinations, will be placed under probation by the Executive Department, while the Executive Department cannot appoint any officer who has not stood the tests of the Examination Department.

The Power of Censorship

Secondly, in the government under the Three Power system, the power of censoring, or to put it more plainly, of supervising the governmental functions and the conduct of the officers, is vested chiefly in the Legislature. For instance in most countries only the Legislature has the power to impeach the government, to review the final settlement of accounts, to interrogate the members of the Executive Department, and to organise commissions to enquire into certain acts of the Executive Department. Such power vested in the Legislature cannot be independently exercised for several reasons, the most prominent of which are: (1) In states adopting the bicameral system of Legislature, as both Houses have the power of censoring, the government may find it difficult to regulate its actions to suit both Houses. (2) In states where two parties are struggling for supremacy, the party in power will always back up the government in its actions under review by the Legislature, while the Opposition is rendered entirely powerless to supervise the government. In this way, objective judgment in specific questions is made impossible in the Legislature. (3) The primary duty of the Legislature to make laws will inevitably suffer if the Legislature is overburdened with the function of censoring. (4) The possession of the power of censoring by the Legislature would lead some of its members to collude with the government in consideration of promises of personal benefits. This is easily possible as there is inevitably a conglomeration of good and bad elements in the Legislature and the tenure of the members of the Legislature is fixed to be of a short duration. In view of all these defects, Dr. Sun holds that the Censorial Department should stand apart from all the other departments in order to be free and independent.

Source of Dr. Sun's ideas

The theories of Dr. Sun regarding the Five Power Constitution were not, as has been indicated, copied from any western political writer, nor were they the fruits of his imagination. While Dr. Sun is indebted to the western political scientists for such fundamental conceptions as the nature of legislative, executive, and judicial powers, yet he was keen enough to recognise the presence, though in a different garb, in the Chinese government from time immemorial. According to Dr. Sun, under the unwritten Constitution of the Chinese monarchy, the Emperor possessed, not merely in name as is in the case with the British King but in actuality, the three powers technically known as the Legislative, the Executive, and the Judiciary. He could declare his words to be the law of the land; he could enjoin his own appointees to enforce it; and he could interpret it in the way most agreeable to himself in any specific case brought before him for decision. He was literally the "fountain of justice." Needless to say that no Chinese emperor could ever conceive of the technical appellation of the powers whose exercise constituted his daily

occupation nor could he analyse his own course of action in the way that political scientists analyse the government functions. It is sufficient to point out that under the Chinese monarchy, the Emperor was a real autocrat in whom all the governmental powers seem to have been centered.

In spite of the apparent omnipotence of the Chinese emperor, there were two functions of the state with which even he himself could not interfere. Whether the emperor's act of restraint was prompted by the fear of popular censure or of the moral rebuke of the posterity could not be gauged. Yet the fact remains that even the most recalcitrant emperors in Chinese history did bow to the time-honored rule of the independence of the power of examination and the power of censorship.

The Examination System

Under the former dynasties, certain officials were appointed by the Emperor to conduct examinations throughout the Empire as the means to find the most suitable recruits for the civil and military service of the country. Once the examiners received their appointment from the emperor, they were no longer under his control so far as their opinion on the merits or demerits of the candidates was concerned. They isolated themselves from the company of other officials and during the period of examination, were practically *incommunicado*. The emperor himself, unless he be a tyrant would have serious misgivings if he ever thought of bringing pressure upon the examiners for the purpose of influencing them in their decision on particular candidates.

Nevertheless, the system of examination under the former dynasties still leaves much to be desired. The fact that examiners were appointed on the eve of each examination and there was no permanent organ for conducting the examinations often gave the examination commissioners the idea that as their mission lasted for merely a short time, they could afford to yield to temptations. The absence of guarantee in regard to their position took off their courage and rendered them irresponsible to the extent of subjecting themselves to the influence of those in power. Dr. Sun plans to remedy such defects through the establishment of an independent Examination Department of the same nature as the Judiciary. The members of the Examination Department are to enjoy the same immunities and privileges attached to the judicial officers who possess the good behavior tenure.

The Censorial Powers

Now let us see how the censorial system operated in former China. Students of Chinese political history cannot fail to come across such terms as Chien Yi Ta Fu (諫議大夫) and Yu Sze Ta Fu (御史大夫), both of which offices connote the function of censoring. The system of censoring dates as far back as the days of Emperor Chin Sze Wang (秦始皇) but reached its flowering stage during the Tang Dynasty. The functions of the censors were to supervise the government and to impeach each and every official, be he the highest in the realm, if he was guilty of any wrong-doing. The emperor not only could not interfere with the exercise of this function, but was often the subject of censure himself. Historical instances are abundant where the censor stood up for justice and righteouness against corruption and graft, and after encountering almost insurmountable difficulties and even incurring the severe displeasure of the emperor himself, finally succeeded in convincing the sovereign of the justness of their cause. In Dr. Sun's own words, "The Imperial censors of the Manchu Dynasty and the official counselors of the Tang Dynasty made a fine censoring system. The power of consorship includes the power to impeach which other governments have but which is placed in the legislative body and is not a separate governmental power." (Lecture on Democracy, The Three Principles)

In Dr. Sun's view, the system of censoring under the former dynasties also calls for betterment. As the censors were appointed by the emperor and subject to his removal, the emperor had only a moral obligation to listen to their remonstrations. Moreover, to suit his own desires and conveniences, the emperor could very well appoint men to be censor in whom he had implicit confidence that the latter would not carp at his own faults. In order to make the censoring system really independent, Dr. Sun proposes to create a Censorial Department which will be untrammelled in the exercise of its functions and which will keep a vigilant eye on the actions of the other Departments and the integrity of the governmental officers. As far as the function of the Censorial Department regarding the wrong-doings of the officers is concerned, it is similar to the French system, i. e. the servants of the state, who, while acting in pursuance of official orders in the *bona fide* attempt to discharge official duties, are guilty of acts which in themselves are wrongful or unlawful, are not subject to the jurisdiction of the ordinary courts but to a particular kind of courts called the Administrative Courts founded on the *Droit Administratif*. (See Dicey: The Law of the Constitution, Chapter XII) The Censorial Department will serve as Administrative Courts for Chinese officers and also have jurisdiction over administrative controversies.

The above is a brief examination of the principles upon which is built Dr. Sun's Five Power Constitution on the basis of which the Nationalist Government is to be reorganised in the near future. Indeed our treatment of this important theory in political science would hardly be complete if we fail to mention the four political powers on the part of the people which, according to Dr. Sun, will serve as an effective check on the exercise of the governmental powers by servants of the State. Dr. Sun draws a line of demarcation between the political powers of the people and the governmental powers of the agency through which the collective will of the people is expressed. The governmental powers, that is, the Legislative, the Executive, the Judicial, the Censorial, and the Examination powers, are to be exercised by the government as servants of the state. The people as masters possess the political powers, that is, the power of suffrage, of initiative, of referendum and of recall, which are the means whereby the people are to control the government, or as Dr. Sun puts it, to make the governmental machinery move and stop. The operation of these nine Powers, four on the side of the people and five on the side of their servants, constitutes the high-powered machinery that will work for the creation of a modern state out of the Chinese nation which have suffered for tens of centuries from misgovernment on account of the lack of a Constitution based on the indigenous political principles as well as on western political philosophy.

Nanking, September 20, 1928.

Protests Allegation that Government Aided Kidnappers

The Nationalist Government may lodge an official protest with the British authorities regarding an editorial which appeared in *The Shanghai Times* recently which alleged that the Nationalist Government was behind the kidnapping menace in the International Settlement at Shanghai, according to an article which appeared in the *Sin Wan Pao* on Sept. 25. The report in the *Sin Wan Pao* stated that the matter had received the attention of the Shanghai branch of the Kuomintang which had recommended that the Government lodge an official protest.

A Chinese correspondent, Chow Shu-pang, contributed a letter to the correspondence columns of *The Shanghai Times* on Sunday, Sept. 23 in which he asked the editor of the newspaper for proof regarding an allegation which had appeared in the editorial columns reading as follows, "The Government has been repeatedly accused of having a hand in the many cases of kidnapping which have been going on both within and without the International Settlement. The Government needs money badly and it apparently has stooped to this means of getting it."

Chow Shu-pang's letter to *The Shanghai Times* referring to this allegation was as follows:

Your editorial entitled 'China's Fortunate Emigrants,' which accused the Chinese Government of taking an active share in the cases of kidnapping prevalent within and without the limits of the Foreign Settlements of Shanghai, must have attracted the attention of anybody having the interest of the community or of China at heart. The accusations are of a very serious nature.

"The Chinese public wonder whether you are ready to back up your statements. What proofs have you? You did not establish any facts: you did not provide any data. Unless you could do so, you would be only exposing yourselves to charges of libel.

"And what is more, you work within Chinese territory. You earn your bread and butter in China. Yes, you are beyond Chinese jurisdiction, you are extraterritorialized. Are we to understand that this is the purpose for which consular jurisdiction is inserted into China's treaties with the foreign powers?

"Anybody with a common understanding of affairs know that your statements are unfounded, and the Chinese cannot but take it as an intentional tirade against the established authorities of the country. For such an affront against the Chinese Government, an apology is the least that is due to our country. CHOW SHU-PANG"

"Shanghai, Sept. 21, 1928."

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The Crisis in Manchuria

(From The Nation, N. Y., August 29)

JAPAN'S super-patriotic Premier, Baron Tanaka, is bringing Asia to the verge of another war. He is playing fast and loose with the rights of the Chinese people and defying the Washington Treaty which pledged the great Powers to respect the integrity of China.

The Sino-Japanese crisis involves a number of problems—the incidents of Nanking and Tsinan, the abrogation of an old treaty with Japan by the Chinese Nationalist Government, the control of Manchuria by Japan, and the Russian pressure on Mongolia. Overshadowing the other problems is the Japanese control of Manchuria.

The Chinese have never admitted that Manchuria is anything else than an integral part of China, and nominally the rest of the world has agreed with them. The Nationalists, pushing northward from Canton to Peking, have kept their eyes on Manchuria as the coveted goal of their ambition and the final test of Chinese control over China. When they finally captured Peking and Chang Tso-lin was killed, they opened negotiations with the titular head of Manchuria, old Chang's son, Chang Hsueh-liang, to bring Manchuria into the new Nationalist China.

It seems clear that the Chinese people of Manchuria wanted to throw in their lot with the Nanking Nationalists and that young Chang was anxious to reach an agreement. Reports from Mukden and Tokio indicate that an agreement was virtually completed when the Japanese stepped in. Under that agreement Chang Hsueh-liang was to keep control of Manchurian domestic affairs and in return hoist the Nationalist flag, swear allegiance to the principles of Sun Yat-sen, and leave the control of Manchurian foreign affairs to the Nationalist Government at Nanking. All things considered, this was a natural compromise in a difficult situation, and any nation which possessed selfgovernment would have been permitted to carry it out.

But Baron Tanaka protested. He declared that Japan would use all its power to prevent Nationalist domination of the Manchurian Government. He sent Baron Hayashi to Mukden to see Chang Hsueh-liang, and young Chang immediately suspended negotiations with the Nationalists even when his own people were clamoring for the completion of the agreement. What caused the sudden weakening of Chang Hsueh-liang? To those who are familiar with the Japanese procedure in Manchuria the natural answer is money and military pressure. Japan has treated the Government of Manchuria as a dependency for many years and finds it even easier to dominate young Chang than his father.

What can the Nationalists do to win back Manchuria to China? Their armies are too weak to fight Japan directly, but several strong forces are on their side. Most important of all is the great preponderance of Chinese people in Manchuria. How can 200,000 Japanese control 25,000,000 Chinese who are hostile to them? Such things have been done in history, but Japan will find the control most costly. Moreover the Chinese population of Manchuria is growing prodigiously by immigration from the famine-swept areas of Central China while Japan's program of migration into Manchuria has been a failure.

Also, China has the boycott—and the former Chinese boycotts against Japan have done sufficient damage to win respect for the boycott as an effective weapon. Dr. C. C. Wu, Special Envoy from Nationalist China, threatened Japan with such a boycott in his speech at the Williamstown Institute. At the same time Dr. Wu offered to the Japanese assurance of economic opportunity in Manchuria. "We are prepared to protect Japan's economic interests," he said, "but that is no reason for usurping political control over Manchuria. We object to Japan's political domination over Manchuria, which we consider to be an infringement of China's sovereignty. We are prepared, however, to welcome further investment by Japan or other countries in Manchuria, or anywhere else."

If Japan is unwilling to accept this adjustment of power in Manchuria, the Nationalists have the ancient answer of military force. They are weak now, but an ominous revival of military spirit is sweeping China as a result of Japanese aggression. Compulsory military training has been ordered in all government schools, and the order has been met with marked enthusiasm by the students. In Shanghai alone 15,000 students, including many girls, bought cadet uniforms.

If the Manchurian crisis leads to an open war, the responsibility will rest largely upon the nations which signed the Nine-Power Treaty at the Washington Conference and pledged themselves to respect the integrity of China. The pledge was definite and unmistakable—and the United States and Japan were parties to the pledge. In the face of Japan's open violation of the pledge the least that our State Department can do is to protest vigorously and repeatedly until Manchuria is allowed to unite with the rest of China.

U. S. Marines Win Pistol Match From Scots Guards

The Fourth Regiment, U. S. Marine Corps and the 2d Battalion, Scots Guards held a pistol match on Friday morning, September 21, the marines winning by a margin of 233 points. The match was fired by a ten man team from each regiment over a course that consisted of three ranges: I5 yards slow fire, 25 yards slow fire, and 25 yards bobbing targets. The teams used the regulation service weapons of their respective corps. The course was as follows:

Range	No. of shots	Possible score	Team Score
15 yards slow	6	60	
25 " "	6	60	
25 " bobbing targets	10	50	
Total Possible score per man.		170	
Final Team Score	4th Regiment		1537
	Scots Guards		1304

Mrs. J. L. Underhill

Corporal Burr A. Evans of Rock Rapids, Iowa was the high man of the Marine team with a score of 164, while Lieutenant Erskine led the Scots Guard team with a 159.

After the match the Scots Guards presented the winning team with a cup, while the high man of each team was given a minature of the cup.

Mrs. Underhill Made Honorary Colonel of Marines

Mrs. James L. Underhill, wife of Major Underhill of the Fourth Regiment, U. S. Marines, was honored on Thursday, Sept. 20 when she was awarded the honorary rank of Colonel, at a ceremony on the Shanghai Race Course. Mrs. Underhill, who is now known as the "Little Colonel" was presented with a regulation Sam Browne belt and olive-drab overseas cap, trimmed with the Marine colors of crimson and gold. The presentation was made by Col. Henry C. Davis, commander of the Fourth Regiment who sailed for the United States this week. He was accompanied by Mrs. Davis and their daughter. The enlisted men in the Fourth Regiment also presented Mrs. Underhill with a letter carrying the signature of Joseph L. Dool, Eugene L. Smith and James Carbary expressing the thanks of the men for the services rendered to the regiment by Mrs. Underhill. Two other members of the Corps were also honored at the ceremony, Lieut. Harry Leland with the distinguished marksman's medal and Capt. Wm. Harding with the Beaumont cup.

Arrivals in Shanghai from U.S.A.

Mr. and Mrs. H. H. MacMillan of the Southern Baptist board, Mr. and Mrs. G. H. Nuesome of the American Tobacco Co., Miss Harriet Watson of the Methodist Episcopal Board, G. J. Tootel, accompanied by his daughter Genevieve, and son John of the Presbyterian Board of Missions; George M. Niwell, of the American Board of Commissioners; Robert E. Fries, of the British American Tobacco Company, and Rev. J. Russell Chandler and wife of the Presbyterian Mission Board of New York, arrived in Shanghai from the United States, September 25.

"Well Looked After"

One of the marines who was ill in the Marine Hospital at Tientsin was convalescing, but nothing appealed to his appetite; they tried numerous tempting dishes but he had no desire for food.

General Butler visited the Hospital and the surgeon in charge told him the boy needed food to build up his strength, but he would not eat.

The General said, "Son, don't you know you must eat in order to regain your strength?"

"Yes sir," the lad replied, "but I just can't eat."

The General then told him about some of the officers of the Air Service stationed at Hsinho (20 miles distant) hunting ducks and inquired if he would like some roast duck. The lad replied he thought he could eat some.

The General informed him that he would radio to Hsinho and have a plane bring the duck up; then noticing the interest he had arroused, he said that he would have the pilot circle over the hospital several times before going to the landing field so the lad would know when his duck arrived.

A radio was immediately dispatched, and it so happened that when it was received an officer had just brought in some ducks he had shot. A "ship" was dispatched at once, and about fifteen minutes later was circling over the hospital. Upon hearing it the marine exclaimed, "By gosh, there's my duck!"

A motor cycle awaited the plane at the Aviation Field and the duck was soon being prepared in the hospital diet kitchen. The marine enjoyed his first duck so much that others followed.

General Butler told this story to General Castner, Commander of the U. S. Army Forces in China, a day or so later. Now General Castner is fond of duck hunting and remarked, "If the boy likes ducks I'll go out on the dikes this afternoon and shoot him some myself." This he did for several days. The sick lad remarked, "With two generals hunting ducks for a fellow, there's nothing left for me but to get well—and he did."

G. G. Stroebe Appointed to Position on Yangtsze River Commission

G. G. Stroebe, an American engineer, has been appointed chief survey engineer adviser to the Yangtze River Commission, the appointment having been made public this week by the Nationalist government. The Yangtsze River Commission was formerly under the control of the Peking government, but discontinued its work more than a year ago owing the disturbed political conditions. It has now been taken over by the Nanking government and the work of surveying the Yangtsze river is to be resumed and extended.

Mr. Stroebe was formerly connected with the Commission but discontinued his work for several months on account of the disturbed political situation. Before coming to China, Mr. Stroebe was engaged in engineering work in the Philippine Islands.

Work incidental to the survey of the Yangtsze involves problems of the damming of large tributaries, with the consequent construction of large escape sluices and of locks for the uninterrupted passage of boats. Surveys have also been started to show the best method of regulating the Siang River so that commerce between Hankow and Changsha may continue uninterrupted throughout the year.

Program Adopted for Anti-Opium Week

October 5 will be observed as international day during the national opium week to be held in Shanghai October 1 to 7.

October 6 will be observed as educational day, when addresses on the evils of opium will be delivered. At a recent meeting of preparation for the event it was decided that the program for the day shall include the introduction of a resolution that the Nationalist government shall be requested to send an urgent telegram to the opium committee of the League of Nations opposing the action of the Eastern Commission on the basis that all the opium producing and narcotic manufacturing countries must likewise be investigated, that China must have a representative in the Commission, and that all narcotic drugs must be included in the investigation. The Ministry of Foreign Affairs is also to be asked to forward a memorial, based on Dr. Wu Lien-teh's report to the League of Nations, urging that a central narcotic factory be established at Geneva or somewhere else in Switzerland, under the full authority of the League of Nations.

October 2 will be publicity day; October 7 will be observed as oath taking day. At a preliminary meeting held during this week a program for these two days was drawn up, after listening to a report by Garfield Huang.

Five Board System of Government Decided Upon

The discussions at Nanking during the week concerning the Five Board system of government have led to an agreement regarding the reorganization of the Nanking Government. The official representative of the government, who is the Chairman of the Government Council, will not be selected from the chairmen of the five new boards. At the time of going to press the indications were that the new personnel of the reorganized Nationalist Government would be as follows:

Chiang Kai-shek: Chairman of Government Council.
Tan Yen-kai: Chairman of Administrative Board.
Hu Han-min: Chairman of Legislative Board.
Wang Chung-hui: Chairman of Judicial Board.
Lin Seng: Chairman of Supervisory Board.
Dr. Tsai Yuan-pei: Chairman of Examination Board.

Although Dr. Tsai has repeatedly stated that he will not accept the post offered him his friends believe that he may change his mind.

Kuomintang Would Boycott Kabul Conference

The Shanghai branch of the Kuomintang Party has sent a petition to the Nationalist Government opposing China's participation in the next Pan-Asiatic Conference which is scheduled to be held in Kabul, the capital of Afghanistan next November. The reason for the action is based on the charge that the Pan-Asiatic Conference was organized by Japanese imperialists and is still dominated by them for the purpose of "enslaving the rest of the Asiatics." The report of the action of the local branch of the Kuomintang, which was circulated by the *Kuo Min* news agency on Sept. 26 declared that the last Pan-Asiatic Conference which was held in Shanghai was dominated by the Japanese and by "pro-Japanese" and that the Koreans barely escaped being trapped. The report concluded by saying, "It is evident that the aim of the Kabul Conference is in direct contradiction of the principles of the Kuomintang, hence we recommend that China refuse to participate and that the Kuomintang should immediately call a conference for the purpose of relieving distressed Asiatics."

Shanghai Rotarians Go to Japan

G. A. Fitch, of the Foreign Y. M. C. A., Dr. Fong Sec, of the Commercial Press, L. M. Jee, of the Peacock Motion Picture Corporation, A. du Pac de Marsoulies, French lawyer, G. E. Marden, president of the Shanghai Rotary Club, C. W. Nieh of the Heng Foong Cotton Manufacturing Co., J. C. Shengle of the Kiangsu Chemical Works, Dr. K. N. Yen, Chinese Optical Co., and A. F. Kimball of the International Savings Society sailed from Shanghai September 26 for Kobe. They are delegates to the Pacific Rotary Conference which will be held in Tokyo from October 1 to 4.

Dollar Company Buys Former Pacific Mail Liner "Manchuria"

The s. s. *Manchuria*, which together with the *Mongolia* and *Korea*, were the crack ships of the old Pacific Mail Steamship Co., is reported in a San Francisco dispatch to the *New York Times* to have been sold to the Dollar Line for its round-the-world service. The *Manchuria* is 600 feet long, 65 feet wide, with a draft of 31 feet. This oil-burning steamer has a tonnage of 15,445, and was built in 1904 by the New York Shipbuilding Co. at Camden, New Jersey, for the Atlantic Transport Co., of West Virginia, the latter selling it to the Pacific Mail. When the Pacific Mail went out of existence the *Manchuria* was sold to the Panama-Pacific Company, for the run between New York and San Francisco.

Mandate Directs Loan Payments From Salt Revenues

The Government Council at Nanking has issued a mandate to the Ministry of Finance concerning the payment of the salt loans. The Ministry is instructed to issue orders to each Salt-procucing district, commencing October 1, to pay towards the service of the Salt Loans and into banks designated by the Minister of Finance, its quota of the total payment as decided upon by the Budget Committee.

The total of payments is ten million dollars to be contributed by 22 provinces.

Interviewed by the *Kuo Min News* Agency correspondent, T. V. Soong, Minister of Finance, stated that the Nationalist Government was anxious to maintain the national credit even before complete unification of finance had been achieved.

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Men and Events

Wu Chu-tz, a prominent newspaper man from Szechuen province, is at present in Shanghai.

Mr. and Mrs. A. T. Heuckendorff have returned to Shanghai from a trip to the United States.

Mrs. F. J. Schuhl has returned to Shanghai from a trip to the United States where she visited relatives.

Chen Kung-po, prominent member of the Kuomintang, proceeded from Shanghai to Hongkong during the week.

W. Turner, Far Eastern manager of Reuters, Itd., has returned to Shanghai from a business trip to England.

Bishop and Mrs. L. J. Birney of the Methodist Mission have returned to Shanghai from a trip to the United States.

H. MacGowan of the passenger department of the Dollar Company has returned to Shanghai from a business trip to Japan.

A. H. F. Edwards, officiating Inspector General of Customs, returned to Peiping from Shanghai during the early part of the week.

Mr. and Mrs. A. B. Henningsen of the Henningsen Produce Co. have returned to Shanghai from a holiday spent in the United States.

B. Koslovsky, former Soviet Consul-General at Shanghai has been appointed chief of the Far Eastern Department of the Moscow Foreign Office.

A daughter, Martha Ellen, was born September 21 at the Country Hospital, Shanghai, to Mr. and Mrs. John D. Nichols of the Standard Oil Co.

J. F. Malone, representative in China for the Cobb-Gwynn Tobacco Company of Richmond, Va., has returned to Shanghai from a business trip to the United States.

G. O. Tuck, president of the Tobacco Trading Corporation of Louisville, Kentucky, and Richmond, Virginia, arrived in Shanghai during the week, accompanied by Mrs. Tuck.

Chinese merchants in Manila are planning to organize an insurance company with ten million pesos capital. It is to be the largest of institution that kind in the Philippine Islands.

The *New China Weekly*, which is a weekly summary of the contents of the daily *Noon Express*, issued in Shanghai, with Francis Zia as editor, commenced publication September 21.

Next to Canada, China is America's best customer for box-board, China taking over half a million gold dollars worth annually of America's total export of a million and a half gold dollars.

W. R. Mowll has been appointed manager of *Reuters'* financial and commercial services in the Far East. Mr. Mowll has been a member of *Reuters'* staff in Shanghai for some time.

John S. Mosher, Vice-Consul at Canton, was in Shanghai during the weeking *enroute* to Peking where he will assume his new duties with the American Legation. Mr. Mosher is accompanied by his family.

Chang Ching-kiang, acting chairman of the Kuomintang Central Executive Committee, and Chu Fu-cheng, former speaker of the House of Representatives, who recently returned from Europe, proceeded from Shanghai to Nanking during the week.

George Atcheson, American Consul at Tientsin, arrived in Shanghai during the week *enroute* to Foochow, where he is to take over the duties of Consul during the absence of Samuel Sokobim, who, with his family, is proceeding to America on long leave.

Judge Milton D. Purdy of the U. S. Court for China left during the week for a trip up the Yangtsze Gorges and will not be back in Shanghai until the latter part of next month. He will try some cases at Hankow October 12 on his return from Chungking.

The Fourth Regiment baseball team last week won the first game of the series being played between the Marine teams of Shanghai and Tientsin at the latter city, with a score of 2 to 1. The game was a pitching duel between Seaton, the Fourth Regiment twirler, and Talliferrio of the Tientsin team.

Twenty-six men and one woman, who had been concerned in crimes in the International Settlement of Shanghai, and had been convicted by the Provisional Court some months ago, and whose sentences were recently confirmed at Nanking, were turned over to the Chinese authorities, September 25, and shot by a firing squad.

Who's Who in China

General Wu Ting-yang

颺廷伍

General Wu Ting-yang, of the 1st Division of the 15th Army Corps of the Revolutionary Army stationed at Liuchow, Kwangsi, China, is generally known these days throughout South China for his good work as Commissioner of Construction of Kwangsi Province, one time a backward region, now the most active along the line of material advancement and educational progress. General Wu was born in Yunghsien, Kwangsi, 1890, of ordinary parents; but he had an early desire to enter the army and participated in local military service when he was but fourteen years old. His early ambition finally landed him at the then Military Academy at Kweilin, an old capital of Kwangsi, where he was graduated with General Lin Hu, General Li Tsung-jen, and other well-known Kwangsi Commanders as former comrades rising from the junior ranks. Since graduating from the Military Academy, General Wu has participated in practically all the Revolutions which have recently landed the Southern forces at Peiping. General Wu, still a junior officer then, took part in the capture of Nanking in the First Revolution which forced the Manchus to abdicate. He has chosen the winning side throughout all the clique and factional wars in South and Central China the last several years, and he is now an important man in his own province. He was at times acting Chairman of the Administrative Council of Kwangsi with office at Nanning, the present provincial capital, in addition to being Commissioner of Construction, an office responsible for the present showing of more than 1,500 miles of modern roads and the recent establishments of many lines of industries under the direct management of his assistant, Mr. Tang Tsic-yee, M. S. (University of Wisconsin) Director of the Institute for the Developments of Industries of Kwangsi.

If You Have High Blood Pressure Go to Philippines

Col. M. A. De Laney of the U. S. Army Medical Corps, who is shortly to join the staff of Governor-General Stimson in the Philippines, was authority for a statement at the recent Williamstown Conference that residence in the Philippines would serve as a cure for high blood pressure. The question came up during a discussion of physical differences between Orientals and Occidentals in which Major De Laney stated that the blood pressure of an Oriental ranged from 10 to 40 points below that of Occidentals of similar age and weight. He stated that white persons going to the Philippines registered lower blood pressure by a certain percentage every year of their residence. This provoked a question as to whether residence in the Philippines would serve as a cure for high blood pressure to which Major De Laney replied in the affirmative.

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Japanese News Reports on Chinese Situation

The following news reports are summaries of news messages dealing with the Chinese political situation and Japanese activities in China which are distributed to the Chinese and foreign press in China by the Japanese semi-official Toho News Service:

Tokyo, September 19.—Mr. Mori, Parliamentary Minister for Foreign Affairs, states that Japan didn't intend to take exception to the proposed Chinese gradation tariff.

Tientsin, September 19.—Chang Chung-chang holds out olive branch to Pei Tsung-hsi but is refused.

Osaka, September 19.—Minseito party holds mass meeting as a preliminary to its political speech-making throughout the country and "fired a rocket for the overthrow of the Tanaka Cabinet."

Peiping, September 19.—Owing to shortage of rolling stock, prices rise, commodities arriving by means of native boats to Tungchow, a town on the Grand Canal a few miles from here.

Tientsin, September 20.—Destroyer Kuwa arrives at Chingwantao, with detachment, part of which proceeds to Shanhaikwan.

Mukden, September 19.—Fengtien Peace Preservation society issues communique stating that Fengtien troops have recaptured Anshan from Chihli-Shantungites.

Tientsin, September 19.—Yang Yu-ting arrives at Shanhaikwan and reports that Chihli-Shantung troops are rapidly surrendering

Nanking, September, 20.—Although unofficial negotiations are going on with various powers regarding China's proposed seven-grade tariff, the consent of Japan has not yet been secured, and it is not likely that the Nationalist government will be able to carry out the official promulgation of the new tariff as from October 1.

Mukden, September 20.—Yang Yu-ting having reported the surrender of the Chihli-Shantung troops, throngs proceed to Chang Hsueh-liang's yamen and congratulate him.

Mukden, September 20.—Peace Preservation headquarters state that terms of Chihli-Shantung surrender are (1) that Chang Chung-chang shall go into retirement. (2) Chihli-Shantung troops shall carry out reorganization stipulated by Fengtien. (3) Fengtien authorities guarantee lives and property of Chang Chung-chang and Chu Yu-pu.

Peiping, September 21.—Japanese Minister Yoshizawa states that Sino-Japanese negotiations are at deadlock but he considers it inconceivable that China will put into effect the gradated tariff without first obtaining the approval of the Powers concerned.

Tokyo, September 22.—Baron Tanaka states that now that China has adopted the system of Five Boards the Nationalist government will become stabilized and will be able to open negotiations with Japan on outstanding issues. General Ho, speaking on behalf of General Chiang Kai-shek, states that seeing that the Three Eastern provinces are geographically remote it cannot but be that it will take some time before the populace there will be imbued with the Kuomintang spirit.

Peiping, September 22.—Pei Tsung-hsi incorporates 10,000 of the Chihli-Shantung troops and the Fengtien party incorporates 40,000.

Tokyo, September 22.—Mr. Hayashi, Consul General at Mukden, and Mr. Hori, Councillor at Peiping, discuss China issues with Baron Tanaka.

Mukden, September 22.—Chang Chung-chang secretly flees from Shihmen towards Lwanchow, accompanied by a small bodyguard.

Canton, September 22.—Discord between Kuangtung and Kuangsi factions gradually growing, the slogan "Kuangtung for Cantonese" being heard again. General Li Chi-sen and his Kuangsi faction have become quite prominent of late.

Tsinan, September 23.—Barracks being constructed for winter quartering of 3rd division.

Peiping, September 24.—Japanese residents return to Tongshan and Lwanchow, their property having escaped destruction or looting.

Tientsin, September 24.—Fengtien troops squabble over allocation of arms from Chihli-Shantung troops, which are delicate pieces of mechanism.

Tientsin, September 24.—Disbanded Chihli-Shantung field officers to receive $50 each, lower commissioned officers $20, and privates $10.

Peiping, September 24.—As a result of visit through Shantung by Lieut Gen. Okamoto, Japanese troops in Tsinan and along Shantung railway are to be reduced to five or six thousand in the near future.

Tientsin, September 24.—Nationalist flag raised in region east of Lwan river.

Tientsin, September 24.—Latest report concerning Chang Chung-chang is that he sailed down Lwan river by native boat and caught a Japanese steamer bound for Dairen at the mouth of the river.

Nanking, September 24,—Dr. C. T. Wang in interview objects to holding any negotiations with Japanese at Tsingtao or Tsinan, but suggests instead Shanghai or Nanking; also states that as regards treaty revision the Chinese are awaiting for the Japanese to approach them.

Nanking, September 24.—Sun Fo in interview states that it will probably be another week before any announcement will be made as to the organization of the Five Power Boards.

Peiping, September 24.—Negotiations on the Nanking incident between Dr. C. T. Wang, Nationalist Minister of Foreign Affairs, and the Italian Consul General at Shanghai, make rapid progress.

Tientsin, September 25.—25,000 of the Chihli-Shantung troops, after having been defeated, are reported to have fled to Jehol.

Tientsin, September 25.—Pei Tsung-hsi after trying to arrange for the reorganization of the Chihli-Shantung troops under Generals Hu Hsu and Wang, gives it up as a hopeless task, and proceeds to disarm them by military force.

Tokyo, September 25.—Chang Hsueh-liang sends representative to Peiping to arrange for return of rolling stock to Peiping-Mukden railway.

Nationalists Working on Problem of Tariff Autonomy

The Shangai mercantilehc ommunity, both foreign and Chinese, is anxiously awaiting news as to what is being done concerning the matter of the revision of customs duties. It is generally understood that a new tariff schedule, based upon the proposals submitted to the Special Conference on the Chinese Customs Tariff at Peiping, by the American, British, and Japanese delegates, will be enforced in the near future, but so far no definite news on the subject is to hand.

It was at one time announced that the new tariff was to come into effect October 1, but present indications are that such will not be the case. What is more likely to happen is that the announcement of the new schedule will be made about that time to come into effect January 1 next. A commission is sitting at Nanking at present to decide on the rates. A delegation of Shanghai merchants recently proceeded to the capital to give their views on the subject. It is stated that Chinese merchants are unging high tariff rates on Japanese cheap goods which compete with Chinese manufactured articles.

It is understood that what the Nationalists intend to do, for a start, is to put into force a surtax schedule of seven sections, based on counter-proposals made by the foreign delegates at the tariff conference in Peiping in 1926.

It is evident that considerable opposition to China's progress towards tariff autonomy is being engineered by Japan, for we find that in an interview, as reported by a *Toho* dispatch from Peiping, Mr. Yoshizawa, the Japanese Minister, stated, September 21, among other things, "As for the question of China's gradated tariff, it is still inconceivable that the said tariff will be actually put into operation without China first obtaining the consent of the Powers concerned. In the event of the Nationalist government approaching Japan and asking for her approval thereof, she will, as a matter of course, comply with its request for entering into negotiations in that respect, for we know that the Nationalist government is at present hard pressed for funds required for its various new enterprises."

Small Son of Wealthy Honolulu Banker Kidnapped

A despatch from Honolulu in the *Japan Advertiser* dated September 19, states that a young school-boy, the son of Mr. Jamieson, a wealthy business man and Vice-President of the Hawaii Trust Company has been kidnapped. The boy was taken from his class room that morning and the same day the father received a letter demanding $10,000 for the safe return of his son.

Mr. Jamieson proceeded to the spot indicated with $4.000 and met the abductors, who took the money but did not return the boy. Speculation is rife on the possibility the boy might have been killed. The Honolulu police in co-operation with Army Units are searching every corner of the town and four suspects have been arrested. It is generally believed in Honolulu that the crime was commited by a Japanese gang known as the K. K. K.

From the Chinese Press

(News items pertaining to Chinese politics and general affairs appearing under this heading, are taken chiefly from the daily reports of the Kuo Wen (independent) Kuo Min (Nanking official), Ta Chung (Kuominchun) and Toho (Japanese news agencies, and from translations of articles and dispatches appearing in the local Chinese press).

Wednesday, September 19.—Communist "cell" raided at Amoy.—New dies ordered from abroad for Sun Yat-sen dollars.—Relief committee organized at Peiping.—Military Council instructs Gen. Hsu of 3rd group army to transfer his troops from Peiping to southern Hopei.—Shanghai party authorities request Government Council to prohibit greyhound racing in Shanghai.—Changho bridge having been repaired, through Peiping-Hankow service resumed.—Domestic Industrial Bank head office to be opened shortly in Shanghai.—Chang Chung-chang's representative at Lwanchow is informed by Pei tsung-hsi that Chang could not be taken into the Nationalist fold.—Tientsin reports that 15,000 Chihli-Shantung troops have been disarmed.—Chiang Kai-shek arrives at Nanking from Shanghai.—Civil affairs bureau at Nanking decides to demolish shrines along highways to make room for residential houses.—Honan, Kiangsu, Hopei and Shensi province support work of Opium Suppression Commission.—Military disbandment in Hunan continues.—Lo Chia-luen inducted into office as President of Tsinghua College at Peiping.—Bombing plane ussed in attacks against Chihli-Shantung troops.—Naval manoeuvers planned to take place at Nanking end of September.—Government Council holds 95th meeting at Nanking.—

Thursday, September 20.—Hankow-Ichang and Hankow-Siangyang motor roads being improved.—Southwestern Industrial Bank being organized at Canton.—Shantung delegation arrives in Shanghai enroute to Nanking to lay before government details of distress in said province.—German Junker plane given permission to land at Urga, Shanghai and other points in course of flight to Far East.—Peiping to become Hopei provincial seat.—Ministry of Finance to send remittances to Peiping to relieve distress of unemployed.—Feng Yu-hsiang urges completion of Lunghai railway section from Kwanyingtang to Sianfu.—Tientsin war report shows that operations against Chihli-Shantung troops continue successful, Chang Chung-changs order's being disobeyed by his troops.—C P. C. at 155th meeting orders Hopei river commission to proceed with work.—Plan of government by Five Councils decided upon at Nanking.—General Feng Yu-hsiang organizeds a bureau at Kaifeng to assist farmers in various ways.—Government Council adopots suggestion of Opium Suppression Commission that Government officials may not smoke opium.

Friday, September 21.—Gen. Yen Hsi-shan arrives in Peiping from Tatung—Pei Tsung-hsi reports that suppression of Chihli-Shantung troops is almost completed.—Two battalions placed along Tsinpu railway near Hsuchow to protect it.—Dr. C. T. Wang presides at meeting of Foreign Relations Committee to discuss Sino-Japanese relations.—Announcement made that Interprovincial Chambers of Commerce will meet at Shanghai October 10.—China decides to send delegates to international air conference at Washington, December 12.—C. E. C. estanding committee holds 168th meeting.—Chekiang province adopts reafforestation and other flood prevention measures.—Hu Han-ming at Nanking states that Five Councils plan of government is in accordance with Sun Yat-sen's principles.—Denial made by responsible Nationalist authorities that any application has been made to Shanghai Municipality to open intelligence bureau.—Kansu province to open schools for Mongolians so as to foster better relations with Mongolians.—Generals Han Fu-chu, Li Ming-chung, Men Chi-ching and Huang Shao-keh to be dispatched respectively to Germany, England, America and Japan by General Feng Yu-hsiang to study military administration, forestry, conservancy, and railway and telegraph systems, with a view to adopting modern methods in the Northwestern provinces.

Saturday, September 21.—Kwangsi province reports completion of 500 miles of long-distance telephone service.—Ministry of Communications prepares for immediate construction of railway from Shihkiachwang to Tsangchow in Southern Hopei.—Shensi troops concentrating at Sianfu preparatory to recorganization and disbandment.—Feng Yu-hsiang orders Shensi provincial authorities to improve roads and canals.—Chiang Kai-shek suddenly declines appointment of Director of Administrative Council.—Government Council holds 96th meeting.—Tientsin war report announces complete surrender of Chihli-Shantung

(Continued on page 167)

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This book contains the English Translation of the new Chinese Criminal Code which became effective on September 1, 1928. It consists of two main parts and an appendix. The first part contains fourteen chapters dealing with rules of application, general interpretations, joint-offences, penalties, recidivism, etc. The second part contains thirty-four chapters dealing with offences against the security of the state, internal and external, offences against friendly relations with foreign states, offences against public order, counterfeiting, forging, offences against morality, against marriage and family, opium, causing injury, interference with personal liberty, etc.

The appendix contains a preface to the draft of the present criminal code by Dr. Wang Chung-hui, a table of changes and corrections between the present and former criminal code, similarities and dissimilarities, etc.

This book is of vital interest to members of the legal fraternity and owing to the consideration of the relinquishment of consular jurisdiction, should be of general interest to the foreign community.

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THE CHINA WEEKLY REVIEW

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CUSTOMS NOTIFICATION

NO. 1134.

INVOICES ACCOMPANYING APPLICATION, TO BE SIGNED BY IMPORTERS

It is found necessary to repeat the terms of Customs Notification No. 779 of May 1913 and to inform importers that beginning from the 1st October 1928, no invoice will be accepted by the Appraising Department unless endorsed to the effect that its correctness is guaranteed and the endorsement signed by a responsible member of the firm.

"The attention of importers is called to the fact that numerous cases of forged invoices have recently come to light, such invoices having been fabricated by employees of importing firms and presented to the Customs in place of the genuine invoices, together with false applications showing quantities and valuations corresponding with the false invoices. So serious is this evil that it is necessary to take special measures to prevent it, and to require that the correctness of invoices shall be guaranteed by a responsible member of the importing firm. Unsigned invoices may be made by anyone; and invoices signed only by the shippers may be forged without detection; but the signatures of members of local firms cannot be imitated without serious risk of discovery. Importers are, therefore, requested to make on their invoices a note to the effect that the correctness is guaranteed—such note to be signed by a responsible member of the firm.

"It is further requested that for the prevention of fraud on the part of their employees, importers will compare the amounts of duty paid, as shown by their books, with the amounts entered on the Customs passes.

"It is only so long as invoices are above suspicion that Customs examination can be dispensed with; and the cooperation of all importers is asked for in their own interests as well as in that of the Customs in stamping out this species of fraud which has attained consideration proportions."

F. W. Maze,
Commissioner of Customs.

CUSTOM HOUSE
Shanghai, 6th September, 1928.

Customs Notification

No. 1135.

The Custom House will be closed and the shipment and delivery of cargo suspended on Friday the 28th September 1928—being the Mid-Autumn Festival.

Commissioner of Customs.

F. W. Maze

CUSTOM HOUSE,

Shanghai, 19th September, 1928.

New Books of Interest in the Far East

The Drama of Tolstoy

Tolstoy. A Play in Seven Scenes. By Henry Bailey Stevens. Thomas Y. Crowell Company, New York. 1928

Nobility of soul, goodness, courage in the right,—these things do exist in life, and one of the finest examples has been the life and work of Leo Tolstoy. Fact is not only stranger than fiction, but it may be higher and nobler than any fiction. The drama of Tolstoy's life has all the elements of great aspiration, absolute devotion, absolute goodness,—the elements which have made the story of Jesus such a powerful and moving tragedy.

But Tolstoy is of our own time,—our own age. And his message is not dependent upon the words of disciples and interpreters. We have it in its pristine purity, with its ethical impregnability and its logical irrefutability,—as near as anything can be to the doctrine which Jesus actually taught. God is Love. And the highest law of mankind is love. The only goodness is to love one's neighbor as one's self. So killing is wrong, robbery is wrong, cruelty is wrong. And they remain wrong even if carried on and supported by the States, by the Church, by the Proprietariat,—by all the laws and institutions which men have made and by which men's lives are moulded. With these things there can be no compromise. Ye cannot serve God and Mammon. This is the message of Tolstoy.

It is a dangerous doctrine,—dangerous to all who thrive on the weakness and ignorance and misery of their fellowmen. And Tolstoy was, by accident of birth, one of these. And so, as the years went on and his hunger after righteousness became the guiding passion of his life, his existence became a bitter struggle between this passion and his devotion to the petty, egotistical, shallow, selfish, altogether contemptible woman—a typical product of the Russian aristocracy he had married. A man of the common people, a man of coarser grain, would have recognized instinctively that the only way to educate such a woman was "with a club," and acted accordingly. But this is the very thing that Tolstoy could not do. Violence was wrong, and he should not break with this woman with whom he had shared his life. And so he bore with her—bore this the heaviest cross of all until he could bear no more. And so, from his Gethsemane of many years, to his final renunciation of all,—to his death.

Mr. Steven's drama is splendidly done, and has the endorsement of the outstanding biographers of the great Christian Anarchist as regards its accuracy. It is a fitting tribute to one of the finest and noblest souls who have lived on this earth.

HARRY PAXTON HOWARD

"My Heart and My Flesh", A Novel by Elizabeth Madox Roberts. New York Viking Press. $2.50.

Only an experienced film-fan could possibly read this book with appreciation and pleasure. To ordinary readers the constant allusions and assumptions-of-understanding are a strain too great to be borne. It may be quite true that Miss Robert's first novel, "The Time of Man", was hailed as a "great novel and an important contribution to American letters", and again as "the most important first novel written in America"; but it remains a sad fact that this second novel of hers is simply nothing more nor less than impossibly dull. The indirect psychologically hinting descriptions of little people and little actions mount up into a pervasive boredom which may, perhaps, be her intentional representation of the Kentucky life described, but which certainly transfers itself fatally to the style.

It is true that she shows an inner sympathy with the colored people, and makes the interrelations of blacks and whites comprehensible; but, apart from this—which very possibly might be incomprehensible to the native of Kentucky—most of the book is unintelligible and inexplicable to the outside reader.

J. D, M.

Chihli River Commission Taken Over by Nationalist Government

The Chihli River Commission was recently taken over by the Government at Nanking. Many prominent members, including Hussey-Freke, Yang Pao-ling and Hollington K. Tong, have severed their connections with the Commission and the office is now in charge of two appointees from Nanking, one formerly in the Peking Ministry of Finance and the other a former draftsman of the commission. The *North China Star* says that 50 per cent of the technical staff, mostly men who have served more than 10 years, has been dismissed and many friends and relatives of Nanking officials have been added to the payroll.

FROM THE CHINESE PRESS

(*Continued from page 165*)

troops.—During an interview at Lwanchow, Pei Tsung-chi states that now that the Northeastern expedition is concluded he is anxious to return to Wu-han, but for the moment he is remaining to confer with Fengtien leaders concerning rehabiliation measures.

Sunday and Monday, September 23 and 24.—Regulations for Peiping University district published.—Ministry of Industry drafts regulations for registration of accountants.—Hopei provincial government departments to be quartered at Peiping in former National government offices.—Chinese and Checho-Slovakian representative agree on terms for treaty on equal terms.—Six carloads of former Chihli-Shantung troops arrive at Tientsin, awaiting final disposition.—Pei Tsung-hsi orders return of 1,000 cars to Peiping-Mukden railway administration.—Revised law for Five Councils government plan ready for presentation at C.P.C. meeting at Nanking September 26.—Hu Han-min recommends some other day than January 1 as Sun Yat-sen funeral ceremony date.—Short wave radio stations being established at various points along China coast as precautions against piracy and to give warnings of impending storms.—Party Affairs Directors will hold a popular Three Principles week at Peiping October 1 to 6.—Shanghai commercial body proceeds to Nanking to discuss tariff schedules.—Sun Fo at Nanking states that he believes with the end of internal strife foreign encroachments will cease.—General Hsiung Shih-hui installed as garrison commander at Lunghua.—Chang Kai-shek expresses his intention to remove his headquarters to Central Military Academy at Nanking.—Boundaries of special Tientsin municipality are defined.—Dr. C. T. Wang recommends legations at London, Washington and Paris be elevated to embassies.—Naval academy to be opened at Hsiangshan, eastern Chekiang.—Tientsin reports that a total of 30,000 Chihli-Shantung troops were taken war prisoners.—White Russian commander and troops formerly with Chang Chung-chang offer services to Pei Tsung-chi at latters headquarters and incidentally ask for two months salary in arrears.—Pei Tsung-hsi returns to Tangshan.

September 25.—Chang Chun appointed inspector general of arsenal.—700 soldiers to be employed in road repairing in Shanghai vicinity—Chiang Kai-shek announced to attend personally forthcoming meetings of Nationalist Opium Suppression Commisssion.—Li Chung-kung assumes post at Nanking of chairman of newly organized Fianance Committee of the Ministry of Communications.—Construction of long distance telephone line between Canton and Hongkong being started by Kwangtung province. General Li Chi-sun decides to return to Canton from Nanking to supervise disbandment and reorganization of the 8th route army, later returning to Nanking.—Feng Yu-hsiang in circular letter to his troops emphasizes value of getting an education.—Survey to be made of production of consumption of native goods along the railway from Nanking to Shanghai, Shanghai Merchants Federation assisting.—Appointments made by Hsueh Tu-pi, Minister of Interior, of various officials, in connection with fortchcoming National Conference on Internal Affairs.—Liu Chi, managing director of Lung-Hai railway, reports financial arrangements made for covering cost of constructing unfinished portions of railway.—Among resolutions adopted at 169th meeting of standing committee of C. E. C. : October 10 to be proclaimed a national holiday.

Shanghai Chinese Chambers Will Not Participate in Japanese Coronation

About a week ago the Shanghai branch of the Kuomintang circularized the Chinese Chambers of Commerce and trade organizations throughout the country recommending that they do not participate in the Japanese coronation ceremony in November and, according to an article in the *Sin Wan Pao*, the Shanghai Chinese Chambers have fallen in with this idea and will not participate in the coronation, thus showing their displeasure at Japan's actions at Tsinan and in Shantung province generally.

H. B. Campbell

46 Szechuen Road,
Shanghai.

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World Peace Foundation

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American Gold Bond Quotations

Name of Security	Coupon Rate %	Date of Maturity		Sale Price sept. 20	Approx. Yield to Maturity Sept. 20
Argentine Government..	6 %	May 1,	1960	99⅛	6.04
U. S. of Brazil	6½ „	Oct. 15,	1957	96⅞	6.81
Republic of Chile.....	7 „	Nov. 1,	1942	101⅜	6.80
Republic of Chile.....	6 „	Jan. 1,	1961	94¼	6.43
Republic of Finland.....	7 „	Mar. 1,	1950	100½	6.95
Finnish Guaranteed Municipal Loan.....	6½ „	Oct. 1,	1954	97¼	6.73
French Government.....	7 „	Dec. 1,	1949	107	6.39
German Government....	7 „	Oct. 15,	1949	106⅜	6.41
Kingdom of Italy.....	7 „	Dec. 1,	1951	97⅜	7.26
State of Minas Geraes (Brazil)	6½ „	Mar. 1,	1958	95½	6.86
Republic of Peru	7 „	Sep. 1,	1959	103¼	6.76
Republic of Peru	6 „	Dec. 1,	1960	90⅛	6.73
City of Vienna.....	6 „	Nov. 1,	1952	88¼	7.00
Mortgage Bank of Chile	6½ „	Jun. 30,	1957	97⅜	6.68
Mortgage Bank of Chile	6 „	Apr. 30,	1961	93¾	6.46
German General Electric Co.	7 „	Jan. 15,	1945	103⅛	6.52
German General Electric Co.	6 „	May 1,	1948	94¼	6.52
Central Bank for Agriculture.....	6 „	Apr. 15,	1938	91⅜	7.14
Saxon Public Works, Inc.	6½ „	May 1,	1951	95¼	6.92
Saxon State Mortgage Institution.....	7 „	Dec. 1,	1945	100½	6.95
Saxon State Mortgage Institution.....	6 „	Sep. 15,	1947	93⅛	6.60
Tokyo Electric Light Co	6 „	Jun. 15,	1953	91½	6.71
Chicago Rapid Transit Co.....	6½ „	July 1,	1944	97	6.81
Northern Ohio Power & Light Co.....	6½ „	Jan. 1,	1941	97¼	6.76
Cuban Dominican Sugar Co.	7 „	Nov. 1,	1944	98½	7.66
Pennsylvania-Dixie Cement Corp.....	7%	Cum. Pfd. Stk.		81¼	8.59
Victory Talking Machine Co.	7 „	Cum. Pfd. Stk.		110	6.36
General Mills, Inc.,.....	6 „	Cum. Pfd. Stk.		100	6.00
Willys Overland Co.....	7 „	Pfd. Stock		98	7.11
Belgian National Rwy Co. Poptg. Pfd. Stk.	(Amm. Shrs.)	Mkt. to Yield			7.04
Dodge Brothers, Inc., .	7 „	Pfd. Stock		108	6.48
General Mills, Inc.....		Common Stock		66⅞	——
Cannon Mills Co.....		Common Stock		48¼	——
Grasselli Chemical Company		Common Stock		63¼	——
Mohawk Carpet Mills, Inc.....		Common Stock		42⅜	——
The National City Bank of New York Stock...				850	2.35

The National City Company National City Bank Building
2 A Kiukiang Road Shanghai, China.

Shanghai Exchange for Week Ending Wednesday September 26. 1928

By Maitland, Fearon and Brand

Exchang.—Since this day last week the price of Bar Silver in London has risen from 26 1/8d. for spot, and 26 1/4d. for forward delivery, to 26 5/16d. and 26 7/16d. respectively. However, late advices indicate but little strength in the silver market.

nfluenced by sales of gold currencies by local specul tors, a sudden and sharp rise in rates of exchange occurred during the week. Sales of T/T on London (I ter-bank) for December delivery were effected at 2/7 3/16 lowest and 2/7 5/8 highest, and T/T on New York 63 1/8 l.west and 63 7/8 highest.

Speculators have been active operators, and, to-day, their position is reported to be over-bought about £1,500,000. On the other hand, genuine exchange business as regards exports and imports has assumed only small dimension.

t the close of the market to-day a weaker tone has made itself manifest, and banks would not sell at better than the following rates, T/T on Londou 2/7 1/4 on New Yerk 63 1/4 Yens 72 5/8.

Our stocks of silver are reported as follows: —

Sycee and Bar Silver ..... Tls 59 567,000 a decrease of Tls 1,095,000
Chinese and Mexican Dollars..... $ 98,540,000 a decrease of $ 970,000
Estimated value Tls. 124 035,000 as against Tls. 122 924.000 held at this time last year.

	Average rates for Aug.	Thursday. Sept 20th	Friday Sept. 21st	Saturday Sept. 22nd	Monday Sept. 24th	Tuesday Sept. 25	Wed. Sept.26
Bank's selling rates		*opening closing*	*opening closing*	*opening closing*	*opening closing*	*opening closing*	*opening closing*
T/T London	2/7 740	2/7	2/7	2/7¼	2/7⅛	2/7⅛	2/7¼
D/Dfts „	—	2/7 15/16	2/7 15/16	2 7 15/16	2/7 15/16	2/7 15/16	2/7 15/16
4 m/s „	—	2/7¼	2/7¼	2/7½	2/7½	2/7½	2/7½
T/T India	176.630	172¼	172¼	173⅛	173⅛	173⅛	173¼
T/T France	1,641,731	1605	1605	1615	1615	1615	1615
T/T N. Y.	64.231	62⅝	62⅝	63⅛	63⅛	63¼	63¼
T/T Demand		62¾	62⅝	63¼	63¼	63⅛	63¼
T/T Hamburg		263	263	265	265	265	264½
T/T H'kong	77.168	79	79	78⅝	78⅝	78½	79⅝
T/T Japan	70 332	71⅛	71¼	72¾	72½	72⅛	72⅜
T/T Batavia	160.038	155⅜	155⅜	157	157	157	157
T/T Straits	87.452	90	90	89½	89⅞	89½	89¾
Bk's buying rates							
4 m/s B/L. Cred. D/A	2/9.740	2/9	2/9	2/9¼	2/9¼	2/9¼	2/9¼
4 m/s „ D/P	—	2/9⅛	2/9⅛	2/9⅛	2/9⅛	2/9⅝	2/9⅝
6 m/s „ B/L Cred D/A	2/10.053	2/9 5/16	2/9 5/16	2/9 9/16	2/9 9/16	2/9 10/16	2/9 10/16
4 m/s B/F Cred D/A or D/P	1,725,961	1675	16/5	1685	1685	1685	1685
4 m/s N.Y.Lc.	67.481	65⅛	65⅞	66⅜	66⅜	65⅝	65⅝
4 m/s „ Docs	—	66⅜	66⅜	66⅞	66⅞	66⅞	66⅞

†Based on Daily Official quotation, higher rate taken on rising Market, lower when falling.	Sept. 20	Sept. 21	Sept. 22	Sept. 24	Sept. 25	Sept. 26,
Bullion.						
*London Price of Bar Silver per oz (English Standard 925 touch)...Pence	26⅛	26¼	26 5/16	26 7/16	26 7/16	26 5/16
**New York Price of Bar Silver per oz. (Pure)	G. $.57	G. $.57¼	G. $.57⅜	G.$ 57⅜	G.$ 57⅜	G. $.57⅛
Shanghai Price of Gold Bars (weight Tls. 10 (Chauping) 978 touch)..... ...	Tls. 354.30	Tls. 354.00	Tls. 353	Tls. 354.70	Tls. 355.10	Tls. 356.60
Shanghai Silver Bars (weight Tls. 100(C.)999 touch)	110.90	110.90	110.90	110.90	110.90	110.90
Shanghai Mexican Dollars per $100.....	72.	72.0375	72.10	72 05	72.1125	72.1375
Native Bank Rate of Interest (Call money)	2%	2%	2%	2½%	2½%	2%
*Closing Price in London for Previous day						
**Closing Price in New York for Previous day						

Bank of England rate of discount	4½%	London Paris on	T/T 124.10
Bank of France rate of discount	3½%	New York on London	T/T 484 15/16
London open Market of Dis. 3 m/s	4 5/8%	Bombay on London	T/T 1/5 31/32
„ 4 „	4⅝%	Hongkong on London	T/T 1 11 7/32
„ 6 „	4 7/16%	Kobe on London	T/T 1/10 7/32